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PLANS TO DEVELOP EL CERREJON DISCUSSED

Bogota EL SIGLO in Spanish 14 Jul 81 p 12

[Article by Raul Rodriguez P.]

[Text] Very few of us Colombians are aware at this time of the real long-range socioeconomic benefits our country will derive from the largest-scale mining project to be undertaken in Guajira over the next several years, a period during which Colombia will cease being dependent upon its coffee sales and will become, if not the largest, at least one of the largest exporters of coal, a mineral that will undoubtedly play a decisive role in the future lives of human beings.

Although the contract signed by the national government with a U.S. firm for the exploitation of the mineral in the northern zone of El Cerrejon has been the object of controversies and criticisms on the part of various political and economic leaders, perhaps the direct cause of these misunderstandings lies with the government itself, which has lacked a system of reporting to communicate to the country what this contract consists of and how it is going to work.

In view of this hardly justifiable attitude of the government, the American firm INTERCOR [International Colombian Resources Corporation], the company that will provide the technology and half the costs of the project, decided to initiate a campaign of information designed to make known all aspects concerning the exploitation and marketing of this coal.

In view of this, the economics editors of Colombia's leading news media visited the United States last week, where INTERCOR is engaged in several projects similar to the one it will be undertaking in Guajira.

EL SIGLO, cognizant of the need of Colombians to become familiar with all these aspects, begins today the publication of a series of articles on this topic, based on its observations at the coal mines of Rawhide, in the state of Wyoming in the United States, and at the maritime ports of Vancouver, Canada.

Open-Pit Mining

In the first place, it must be made clear that El Cerrejon's coal will be mined by the method known as open-pit mining, which is very different from the traditional method we Colombians know, namely, underground mining.

Open-pit mining methods are used where the mineral is located in broad, shallow formations covered by a few layers of earth that must necessarily be removed; the sites, however, are subsequently converted to farming and grazing areas through the process of backfilling the terrain, which has been programed by INTERCOR.

In the El Cerrejon zone to be worked by INTERCOR together with CARBOCOL [Colombian Coal Company, Inc], coal reserves have been calculated to total 1.6 billion tons, one-fourth of which will be extracted over a period of 23 years, which is the duration of the contract, after which Colombia, using the infrastructure built for this first phase, may continue exploiting on its own the remaining reserves and reaping the profits from marketing the mineral.

In other words, once the coal is "produced," the pit that remains will be filled with earth which, using modern fertilization techniques, will be made suitable for the growing of farm crops and pastures for cattle, as we have seen done in the zones of the state of Wyoming that have already been worked.

Technology and Infrastructure

According to calculations, the production of 1 ton of coal in El Cerrejon will necessitate the removal of 11 tons of earth, a process that will require the use of heavy machinery never before seen in Colombia.

This equipment will consist basically of shovels, breakers, dump cars with a capacity of around 200 tons, storage bins, and sophisticated and flexible mineral transfer systems, based fundamentally on transfer by railway facilities.

The important point regarding the use of this technology is that, contrary to what has been affirmed by various national technicians and politicians, it will not produce negative effects on the environment, since, thanks to the exploitation, processing and transport methods used by INTERCOR, it will be possible to control the emission of dust, which, as is well known, is highly injurious to the health of human beings.

From the explanations given to the Colombian journalists by the American technicians, it is abundantly clear that the method to be used in exploiting our coal will produce no detrimental effects to the environment and that, on the contrary, it will result in improvement of the soils involved, which as in the case of Guajira today are arid and unsuitable for the production of food.

It is impressive to see, in those regions of the United States, the present state of terrains where open-pit mining operations have been carried out and that are now hectares upon hectares of farming and grazing lands.

The Mining Railway

While the rest of the country is virtually devoid of a railway transportation system, in Guajira a wide-gauge rail network extending over 150 kilometers will be built, over which trains of more than 120 cars will haul material to the loading port that is to be located in what is now Bahia Portete.

The railway cars used in the United States have a capacity of 100 tons; this means that each train hauls more than 10,000 tons, which have been loaded in barely 1 and 1/2 hours and are unloaded in less time than that, owing to the unloading system, which in the case of El Cerrejon will be even more modern.

As of now, the type of locomotive to be used in Colombia is still the subject of a study being conducted to determine whether it will be of the electric type or of the ACPM [articulated compound propulsion Mallet] type as in the United States. What is certain is that it will be a wide-gauge bed and will be the first industrial-scale railway ever built in this country, comparable in specifications to the largest mining railways in Australia and even in the United States itself.

The Maritime Port

To learn the characteristics of the port that is to be built in Guajira, we Colombian newsmen and two top officials of INTERCOR visited the coal port facilities of the city of Vancouver, Canada.

One of these ports is capable of loading ships of over 120,000 tons in 48 hours, using modern systems for unloading rail cars, storing the coal and loading the ships. It handles 10.5 million tons annually, a total that is to be exceeded by Bahia Portete, which is to start exporting coal by 1986.

Observation of the systems used in Vancouver makes clear their speed, cleanliness and the efficiency with which ships are loaded, without contamination of the environment or the congestions to which we are accustomed in our traditional and inadequate Colombian maritime ports.

Furthermore, the area occupied by the port is small in relation to the tonnages handled, all of this thanks to the machinery in use and to the personnel, who have previously been trained for this work; something of this nature is already under way in our country, where CARBOCOL and INTERCOR are already training a goodly number of Colombian operators with the cooperation of the SENA [National Apprenticeship Service].

In the ports of Vancouver, the price of coal reaches \$68 per ton, to which is added \$4.50 for loading operations; in other words, a ton of coal delivered to the port costs \$72.50.

On the basis that Colombia expects to export more than 10 million tons of coal annually, it is easy to calculate the enormous volume of foreign exchange the country will receive from this operation, remembering, however, that during the first 23 years of operation Colombia will be entitled to market half the production, in addition to royalties to be paid by INTERCOR.

Investment and Jobs

In the state of Wyoming, an eminently coal-rich zone, there are more than 12 mines in production, two of which are operated by Exxon through the Carter Mining Company and are located in the township known as Guillet, where the total investment in these two projects was \$140 million.

In Colombia, the investment will be greater, totaling \$3 billion, by virtue of the larger infrastructural facilities to be built here and because the project is on a larger scale than the Guillet one.

The cost of all these works, which are to be completed in 4 years, will be shared equally by CARBOCOL and INTERCOR, so that the export of coal can begin by early 1986.

But in addition to the works directly related to coal operations, facilities will also be built for the accommodation of the 4,000 employees and laborers who will take part in the operation, such as a small town with all needed public services, as well as two airports--one located at the mines and the other in the maritime port.

Assuming these facilities duplicate those of the Guillet mines, the workers will have the benefit of health, education and recreation centers as well as modern communications facilities.

The government's "slowness" to explain to the country the characteristics of the programs it is planning to carry out in the coming years is perhaps easy to understand. But the case of El Cerrejon is a pathetic example and it will surely serve to induce the Colombian economic and political authorities to realize the importance of a effective communications process in situations of this nature, since it begets us little to hear talk of ambitious projects and programs if all these far-reaching plans and their benefits are to be the knowledge solely of the highest management levels of government.

Over the next several days, readers of EL SIGLO will be informed of other aspects of this so-talked-of El Cerrejon project and will thus have sufficient facts in hand to define their own positions with respect to the new situations involved. And thus, the country will know what to expect from a program that has been characterized as the vastest ever undertaken in all our history.

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CSO: 3010/1585

COAL DEPOSIT BIGGER THAN EL CERREJON FOUND

Bogota EL TIEMPO in Spanish 10 Jul 81 pp 1-A, 6-A

[Text] Coal deposits bigger than those of El Cerrejon, in Guajira, have been found in the district of San Juan de Arama, in Llanos Orientales, according to reliable diplomatic sources.

The discovery was made by international research organizations, according to information disclosed to EL TIEMPO.

This fragmentary report states that the size of the deposits is such as to exceed that of the deposits in Guajira, where reserves are estimated to be more than 1.4 billion tons.

This promising new prospect in the mining sector coincides with a recovery in oil production, in that today, in fact, the Andalucia Sur well starts commercial production in Huila, where, for the first time, a partnership contract has been signed between Colombian investors and ECOPETROL [Colombian Petroleum Enterprise].

This well will produce 3,500 bpd [barrels per day] initially, but, thanks to the prior exploratory work done by PETROCOL [Colombian Petroleum, Inc], oil prospects in southern Huila are very favorable.

Production at El Cerrejon will begin in 1983 with an initial volume of 400,000 tons annually, from which revenues are expected to be of the order of \$400 million.

The contracts and the certificate of marketability issued by the government have been the object of much controversy, especially on the part of Senator Luis Carlos Galan, who has demanded a renegotiation.

Investments totaling in excess of \$3.5 billion have been planned at El Cerrejon to build practically an entire city, a 170-kilometer railway line, two airports, and a special-purpose port able to accommodate ships of up to 100,000 tons, with plans under way to enlarge it for ships up to 250,000 tons.

Once production is in full swing, the national treasury could receive some \$24 billion annually from the El Cerrejon operation.

The partnership agreements for the exploitation of El Cerrejon were signed on Riohacha on 5 September 1980 by CARBOCOL [Colombian Coal Company, Inc] and INTERCOR [International Colombian Resources Corporation]. Their duration is 23 years.

The sums involved are significant if one takes into account that according to reports from the international research organizations concerned and from diplomatic sources the San Juan de Arama deposits are larger than those of El Cerrejon.

The world market today totals some 50 million tons annually, and Colombia, without the Llanos Orientales deposits, could capture as much as 10 percent of that market.

The market price of a ton of coal today can be between \$40 and \$60, but since coal is certain the fuel of the future, it is believed that as time goes on its price will continually rise.

According to the government, the country has enough coal, nickel, uranium and gold to overcome any possible future exchange problems, including short-term ones, offsetting the effects of the sharp drop in international coffee prices.

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CSO: 3010/1585

HYDROELECTRIC MINI-PLANTS PLANNED

Bogota EL TIEMPO in Spanish 13 Jul 81 p 6-A

[Article by Special Correspondent German Navarrete]

[Text] Popayan, 12 Jul --Colombia begins planning today, using its own designs, the construction--with national technology, money and human resources--of the first hydroelectric miniplant, which will have a capacity of 250 kilowatts. The project is expected to be a pilot for Latin America and will benefit millions of low-income inhabitants of small population centers.

The first miniplant will actually be built in Argelia, Cauca, at a cost of 20 million pesos, and will provide the basis for a "National Plan for the Exploitation of Small-Scale Hydroelectric Resources" in localities that cannot be supplied electricity from the networks because of the extremely high costs involved.

The inauguration of this national technological step forward took place on the premises of the Council of Popayan, in the presence of the vice minister of mines and energy, Carlos Zambrano Ulloa, with the signing by Ricardo Tribin Acosta, manager of the ICEL [Colombian Electrical Power Institute], of contracts with the Universities of Cauca and Valle for the design of a national prototype for the mentioned miniplant.

This act marks the first step taken by the country toward technological independence in a field that in coming years will demand investments on a larger scale than any Colombia has ever been called upon to make, to fully emerge from the energy crisis it has undergone over the past months.

This view was shared by Vice Minister Zambrano Ulloa; the manager of ICEL, Tribin Acosta; the governor of Cauca, Gerardo Bonilla Fernandez; the mayor of Popayan, Juan Manuel Caicedo; the head of the Institute's Division of Alternative Energy Sources, Eutimio Becerra Reyes and the head of the Institute's Division of Finance, Oscar Paredes Zapata; the manager of CEDELCA [Electric Power Plants of Cauca], Jorge Bolivar Munoz; the rectors of the Universities of Cauca and Valle; and some 100 government officials, members of the Council and the Congress, and civic leaders of Cauca; all of whom attended the signing of the contracts.

A Model for Latin America

Alfredo Constain, researcher with the Energy Group of the University of Cauca, German Oramas, an expert in medium-scale hydroelectric developmental projects throughout the regions of Colombia with the same university, and Antonio Vargas, of Pereira, concurred in the view that the joint government-university effort launched today in Popayan "is destined to make a profound imprint on our national scientific and technological research effort."

Martin Cuevas of ICEL, for his part, emphasized that with the Argelia project the Institute is orienting its activity toward resolving the energy shortage problems of a vast number of rural inhabitants, using the country's own technology and resources.

He said, "Through these contracts, the University of Valle will provide the designs, calculations and technical consultation for the fabrication, assembly, testing, putting into service and evaluation of the electromechanical and hydraulic equipment of the miniplant, at a cost of 4 and 1/2 million pesos, while the University of Cauca will be responsible for providing the designs, assembly, installation, putting into service and evaluation of a self-powered and automatic hydrometeorological station inside the miniplant, at a cost of 1/2 million pesos."

A Colombian Achievement

The spokesmen for the universities--Hector Monroy for that of Cauca, and Jaime Aguilar for that of Valle--agreed that the contracts signed with ICEL "eliminate the separation that has existed between the two universities, bringing them together in programs that as of now constitute a real national achievement for the generation of energy at low cost."

They pointed out that this step "greatly favors the university scientific and technological research ambit and will become a readily available model for the ideal road by way of which the professionals of the future will be better prepared by the universities, which have the responsibility of helping the nation in this respect."

Tribin Acosta explained that the Universities of Cauca and Valle were chosen for this program because they already had the necessary qualified personnel on their staffs and sufficient technical resources.

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CSO: 3010/1585

BRIEFS

OIL STRIKE IN CHARCO LARGO--Santo Domingo, 25 Jul (CANA-REUTER)--Dominican Republic President Antonio Guzman announced today that an oil strike had been made in the southern area of Charco Largo. Speaking on a television and radio broadcast the President said the quantity and quality of crude oil struck had still to be determined. He said the government had been exploring for oil in the region since the end of last year. In his broadcast Mr Guzman called on Dominicans to thank God for this promising event which foresees a better future for the republic. After his speech hundreds of people rushed into Santo Dominican streets to celebrate the announcement. The Caribbean republic imports most of its oil needs. [Text] [FL251556 Bridgetown CANA in English 1521 GMT 25 Jul 81]

CSO: 3020/129

PEMEX ANNOUNCES THREE PETROCHEMICAL PLANTS

Mexico City EL DIA in Spanish 24 Jun 81 p 7

[Text] Yesterday, the general director of PEMEX [Mexican Petroleum], Julio Rodolfo Moctezuma, announced the construction of three new "Cangrejas" for the purpose of meeting the domestic petrochemical demand, and stated that this industry will strengthen the nation's balance of payments.

Moctezuma, who attended a breakfast attended by the highest ranking representatives of the private sector, stressed that, in the future, Mexico would give a particular impetus to its exports, because "we cannot expect the traditional products of a tropical country to be able to serve as the support for the Mexican external market."

Nevertheless, the director of PEMEX pointed out that, "Now that we have finished La Cangrejera, we realize that we shall soon be unable to supply the market with the products generated there."

"Over a period of 20 years, we shall have a population of over 100 million inhabitants and the pace that Lopez Portillo has imposed on our economy will enable us to have access to an economy that is four or five times superior to the present one."

"Therefore, Mexico has devoted its efforts, and the best of its technology, to laying the foundations for the development of the national petrochemical industry."

At the same function, engineer Carlos Mireles, head of CANACINTRA's [National Association of the Processing Industry] petrochemical sector, disclosed that Mexico ranks second in Latin America in the production of basic petrochemicals, and it is anticipated that, by 1982, our country will be the Latin American leader in this sector.

He reported that secondary petrochemical production in Mexico had increased at a rate of 8.5 percent per year, on the average, during the period 1971-80; and, not satisfied with these results, "our sector has decided to expand many of the already existing production units, and to build new industrial plants, with an estimated investment of 55 billion pesos, which will make Mexico the Latin American leader in the production of secondary petrochemicals by 1985."



Julio Rodolfo Moctezuma: "Petrochemistry could be the great solution for Mexico's future. "

2909

CSO: 3010/1540

PEMEX THREATENS TO SHUT DOWN WELLS

Mexico City EL SOL DE MEXICO in Spanish 5 Jul 81 Sec A pp 1, 5

[Text] Ciudad del Carmen, Camp., 4 Jul (OEM)--There is an interval of only 15 days left in which to recover the pace of crude exports, and if the current situation continues, it will be necessary to "choke" producing wells.

For the present, it has already proven necessary to delay three wells on the Campeche Platform, which would cause the level of 2.75 million barrels per day to be reached, from going into production. This is because the storage facilities, which now have a capacity of 8.7 million barrels, are about to reach their maximum volume of accommodation.

The foregoing information was given to EL SOL DE MEXICO yesterday by technicians from Mexican Petroleum's [PEMEX] southern zone, who stated that the current production rate in the country exceeds 2.5 million barrels per day.

It was explained that the domestic consumption does not exceed 1.2 million tons, and that the rest is allocated for export. However, as a result of the decline in external purchases, the storage facilities are now saturated.

The technicians noted that new installations have recently been incorporated in Cactus, La Cangrejera and Pajaritos, for storing the oil from fields all over the country; and it is expected that, in the future, thanks to the acceleration of the work, one new storage tank will be put into service each month.

Nevertheless, it was reported that the space is not available at present, and if the lack of exports lasts another 15 days, it will inevitably be necessary to "choke" the wells, especially in Campeche Sound, which supply the largest production in the country, and from which the level of 2.75 million barrels called for by the authorities will be reached.

The Mexican Petroleum southern zone technicians remarked that, for the time being, it has been necessary to delay the operations on three wells drilled on the Campeche Platform which were due to go into operation currently.

It was claimed that the work on these projects would continue in this way until there is a change that would make it possible to evacuate the storage tanks, at least at the same rate at which the crude is being extracted in the oilfields.

According to the reports, with the wells that are about to go into production in the Gulf of Mexico, the production level of 2.75 million barrels per day will be reached. However, it will apparently not be until the market recovers that Mexican Petroleum's production will increase again.

Meanwhile, the technicians are remaining in a state of anticipation, and are of the opinion that, whatever the solution is, it cannot take more than 15 days to arrive, because the storage facilities cannot accommodate any more.

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CSO: 3010/1540

PEMEX: NO 'CRISIS' IN PRODUCTION, PRICING

Mexico City EXCELSIOR in Spanish 27 Jun 81 Sec A pp 1, 15

[Text] Yesterday, in announcing a new, "far more dynamic and diversified" price policy, the director of PEMEX [Mexican Petroleum], Julio Rodolfo Moctezuma Cid, stated that the company has started negotiating the revaluation of Mexican crude on the international market, and expects to obtain a new price that is \$2.00 higher than the present one.

During a press conference held at the conclusion of a lengthy meeting with President Lopez Portillo and the economic cabinet, the official remarked that the current upheaval on the international oil market has prevented PEMEX from selling 310,000 barrels of crude per day, representing a loss of 230 million pesos during the same interval.

The cancellations of crude export quotas are from the United States, the Philippines, Sweden and India, which, the PEMEX director noted, want to secure preferential prices owing to the uncertainty of the market.

However, Moctezuma Cid expressed optimism and confidence. He said that PEMEX has the ability "to come out ahead, with flying colors, and even strengthened by the crisis;" and he announced that, "as of this afternoon, orders for Mexican crude have been received from about 20 customers."

He commented that the energy saving policies undertaken by various countries, simultaneously with the overproduction policies of certain Arab nations, have fostered a market situation wherein the demand has been clearly reduced worldwide. Mexico has only a marginal role in this, and hence this market crisis has inevitably affected the national programs and economy.

During the conference, which lasted over 2 hours, Moctezuma Cid said that, based upon the behavior of the international markets, PEMEX would gradually change its production and price policies.

He reiterated the fact that PEMEX is not in a state of crisis, noting: "We have merely failed to sell what we had calculated."

He claimed that the company could not be said to have a deficit, but only lesser sales.

Mexico Will Not Join OPEC

The PEMEX director also remarked that Mexico would not join the Organization of Petroleum Exporting Countries (OPEC), stating: "There is no intention of doing so." He declared that this position has been clearly explained by President Lopez Portillo and claimed that he "would have nothing to add to it."

He provided the newsmen with details on the progress of negotiations on the international market, pointing out that, despite the rumors spread by the international press agencies, neither Canada nor France has made announcements about reducing their purchases from Mexico.

He said that the governments of those countries have also expressed willingness to study substantial increments in Mexican crude, and Colombia, another requester, has also carried out good negotiations regarding prices.

He asked that doubts and misunderstandings be dispelled regarding the PEMEX export platform, commenting: "Our platform entails 1.5 million barrels as an annual daily average. But, for reasons associated with weather conditions, there are days in which it is impossible to reach the figure that has been established. We shall attain it, but it is not a reality at the present time. The exports are lower. In order for us to achieve them, there must be a prolonged effort at the end of the year, and perhaps until the beginning of 1982."

Sales Must Be Diversified Now

Julio Rodolfo Moctezuma Cid subsequently stated that PEMEX, in response to the current crisis, must diversify its marketing system, and make it far more speedy in a situation such as this.

He noted that, by the middle or end of next year, it had been planned to complete and put into operation the Salina Cruz cargo buoy for ships with a large capacity. According to the new investment program, it is expected that this buoy will be put into operation by the end of November or the beginning of December.

The new PEMEX director declined to answer a question about the reasons for the resignation of his predecessor, engineer Jorge Diaz Serrano. He confined himself to referring the query to the responses given by the secretary of patrimony and industrial development, Jose Andres Oteyza, to a group of deputies.

He also stated that the \$2.00 increase in the current price of Mexican crude is not yet in effect. He remarked: "I would like to be able to give you a date, and say that it would be kept. But no one knows how long this situation is going to last. I think that the gamblers would lose at present, if we set a date. It is difficult to predict...."

He commented: "Our negotiations are having a high percentage of success. But obviously, we cannot guarantee 100 percent. We believe and hope that they will be successful; but there is a percentage of uncertainty which might mean the opposite, at the present time."

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CSO: 3010/1540

OIL PRICE CUT MEANS LARGE LOSS TO TREASURY

Mexico City EL DIA in Spanish 24 Jun 81 p 7

[Text] Yesterday, Guillermo Prieto Fortun, undersecretary of revenue in the Secretariat of Finance and Public Credit, stated that the federal government is making a greater effort each day to base Mexico's economic growth, estimated at 7.5 percent, on internal savings and not on external financing through loans.

During an interview after he opened the Third Fiscal Symposium sponsored by the National Bar Association, the finance official announced that Mexico would fail to receive 40 billion pesos (by way of taxes), owing to the drop in the price of oil.

That sum represents 4 percent of the internal financing; however, the figure will depend on the changes in hydrocarbon prices.

Prieto Fortun explained that the policies for modernizing the tax system would not lag.

During the course of the conversation, the undersecretary remarked that the present public spending is insufficient to meet the country's economic and social needs.

The interview proceeded as follows:

[Answer] The receipts for 1981 will exceed 955 million pesos, nearly a billion pesos.

[Question] How much will this amount to in terms of percentage?

[Answer] Approximately 40 percent growth over 1980.

[Question] Several economists claim that our economic growth is based on credit and loans from abroad. What is your opinion?

[Answer] They are entitled to say what they think; but I believe that the country has been making a very substantial effort to finance our public spending increasingly with sound funds from domestic savings and taxation.

[Question] When it was announced that there would be a \$4.00 drop in the price of oil, it was also stated that Mexico would fail to receive \$1.2 billion, in addition to this. How much will the state fail to receive in the form of taxes?

[Answer] Well, we estimate what the government will fail to receive in tax funds as a result of the drop in hydrocarbon prices and of this type of current situation at 40 billion pesos. But this could vary if there is a change in prices, as is anticipated, in the immediate future.

[Question] From the standpoint of total revenue, what percentage does this aforementioned sum represent?

[Answer] Approximately 4 percent. (And then he added) failing to receive that amount does affect the country, but efforts are being made to increase the tax funds, so as to meet the expenditure requirements. (The official stressed) any upset, however small it may be, must have an impact on us.

[Question] In the event that the decrease in oil prices is permanent, in what other way can the state accrue revenue?

[Answer] We are making very significant administrative efforts to remedy this loss of receipts. We do not think, by any means, that we can cover the total funds which will not be accrued. But everything possible is being done to expand the base of taxpayers.

The country is changing in the tax area; a group of measures to modernize the entire tax collection system is being considered.

I do not think that these policies and actions to modernize the tax administration will lag.

[Question] Could the taxpayer be hurt as a result of what we fail to receive on account of the oil?

[Answer] No, because there would be no changes in the laws, unless Congress orders or puts into effect some new amendments.

We have to operate with the current legislation, and in keeping with the laws that have been passed. So, the effort is aimed at having those who are not paying enter the tax system.

[Question] Mention has been made of a deficit in the balance between the state's revenue and outlays; and some banking institutions even claim that the government's spending amounted to 62 percent, while the revenue totaled 43 percent.

[Answer] I must say that there has been a substantial effort to curb public spending and to increase the internal revenue. Of course, the policy tends to close the gap in the deficit, so as to cover the budget to an increasing extent with our own funds.

(He also explained) that public spending is done through a program, and in relation to the country's needs. Anyway, the volume of spending is still insufficient to meet all the needs of our people. I believe that it is in this respect that we must expend a great effort.

2909

CSO: 3010/1540

BRIEFS

RUNAWAY GAS WELL CONTROLLED--Ciudad del Carmen, Camp., 2 Jul.--The PEMEX [Mexican Petroleum] superintendent's office in this locality announced that the 7-B Xicalango well, which has to date wasted 150 million cubic feet of gas, will be under control within a maximum period of a week. Forces from the Seventh Military Naval Zone extended a safety cordon over a radius of 4 kilometers to prevent an explosion. The aviation authorities were also requested to cancel flights near the damaged well. The danger of an explosion on the Atasta Peninsula where the 7-B Xicalango well is located increased when an accumulation of gas occurred in the area. The superintendent's office announced that, tomorrow, the moving of the damaged well's derrick would begin, to facilitate the effort to control the emerging gas, an effort in which dozens of highly trained technicians under orders from engineer Felipe Espinosa Caviedes are participating. The office added that the pumps, heavy machinery and other implements will be removed from the area to facilitate access to the Atasta Peninsula. The damage caused by the gas emanation was estimated at 10 million pesos. [Text] [Mexico City EXCELSIOR in Spanish 3 Jul 81 Sec A p 32] 2909

CSO: 3010/1540

CORPOVEN INITIATES MONAGAS EXPLORATION PROGRAM

Caracas EL UNIVERSAL in Spanish 5 Jul 81 p 1-29

[Article by C. R. Chavez]

[Text] Maturin--CORPOVEN will drill a total of two [sic] development wells in the state of Monagas over the next 5 years in order to increase production in the Orocuai, Onado, Tacat, Tonoro, Aguasay-Caro Norte, and Jusepin fields, announced the president of the oil firm, Dr Frank Alcock, during his very brief visit to this city to attend the 37th assembly of FEDECAMARAS [Association of the Chambers of Commerce and Industry] along with representatives from PDVSA [Venezuelan Petroleum].

Concerning plans for exploration in the state of Monagas, Alcock said that CORPOVEN has a total of 384,800 hectares allocated for which it has exploratory responsibility. This represents 14 percent of the area of this eastern state.

"The seismographic program conducted by CORPOVEN for the next 5 years in the northern area of Monagas includes the recording, processing, and interpretation of 1,300 kilometers of seismic lines, plus the drilling of eight exploratory wells," said the president of CORPOVEN, who then added that in the northern part of this state his firm is working the fields of Orocuai, Manresa, Jusepin, Pirital, Punta Gorda, Mata Grande, and Tacat.

He also reported that some significant discoveries of light petroleum and gas have been made in the fields of Orocuai and Tacat. "In Orocuai we plan to drill four wells to verify and quantify the reserves discovered with the ORC-18 well, which was drilled this year to a depth of 14,500 feet." He added that the ORC-18 was used to evaluate in depth the Cretaceous and Oligocene levels.

Dr Alcock pointed out that the results obtained from this well and the reconditioning of the ORC-15 and ORC-17 wells, also in the

Cretaceous levels, tend to confirm the extent and total volume of the reserves of this area, thus favoring immediate development in the area.

As a result of the exploration in the Tonoro area of the Tacat field, in 1980 CORPOVEN found a large accumulation of gas with its Tonoro 3-X well. It is now drilling the Tonoro 4-X well, from which intermediate profiles were taken. Their interpretation revealed the existence of 235 feet of gas and petroleum sands. "This will help us to evaluate the potential of the area, in which we have a program for about four exploratory wells," reported the president of CORPOVEN.

As for exploratory plans for the central part of Monagas, Frank Alcock announced the surveying of 4,400 kilometers of seismic lines for the 5-year period in question (1982-1986), and said that the plans for this region include the drilling of 33 wells over the next 5 years.

In the central part of Monagas, CORPOVEN is working the fields of Onado, Aguasay-Norte, Acema, and Casma-Soledad.

Alcock said that some major discoveries of medium petroleum were found in the fields of Onado and Aguasay in 1979 and 1980. "In that area we plan to drill 13 exploratory wells to verify and quantify the reserves found earlier." He added that the plans include developing the region by drilling 33 development wells.

On CORPOVEN's production in the state of Monagas, he said that it is 80,000 barrels of medium and light petroleum a day.

He pointed out later that at present five of the firm's ten drilling rigs are operating in Monagas, and seven of its 15 repair rigs. He said that the investments in these activities have amounted to about 310 million bolivars.

He added that work is proceeding on projects to use the gas from Oritupano and on the gas injection plant at Acema, along with the development of the Onado field. All together, these projects represent expenditures close to 300 million bolivars over the next 2 years.

7679

CSO: 3010/1544

BRIEFS

NEW OIL TANKER--With the incorporation of the "Sinamaica," a modern ship for transporting oil, LAGOVEN, the operating subsidiary of Venezuelan Petroleum, now has six tankers in its fleet, with a sea transportation capacity of 294,554 cubic meters. LAGOVEN spokesmen announced that the "Sinamaica," built in Japanese shipyards, comes to replace the "Lagoven/Maracaibo," which has already completed 22 years of service and is part of a program for replacing tankers that have ended their useful life. The new ship for oil transportation began its activities in a simple ceremony attended by representatives of the regional executive board, Dr Alirio Parra, director of Venezuelan Petroleum, representatives of the Ministries of Transportation and Communications and Development, COVINCA [Venezuelan Corporation for Development of the Shipbuilding Industry], representatives of the Office of the Comptroller General of the Republic and of other agencies, in addition to local authorities. The "Sinamaica" is commanded by Sea Captain German Marin and has a 31-man crew for its crude oil transportation operations between Venezuelans and abroad. Some of its characteristics are: 213 meters long, 32 meters beam and 19 meters depth, with a maximum speed of 15 knots. The ship takes its name from the lagoon located in the northwest of the state of Zulia, from which--historians note-- is derived the name of "Little Venice," assigned by the discoverers to the area and which later was extended to the whole territory [of Venezuela]. [Text] [Caracas EL NACIONAL in Spanish 12 Jul 91 p D-9] 10042

OIL WELLS REACTIVATED--With reactivation and greater development of the old Pedernales oilfield, in the Orinoco Delta starting this month LAGOVEN, a Venezuelan Petroleum subsidiary, hopes to produce again amounts similar to what was extracted in the past. Oil operations in Pedernales started at the beginning of the decade of the 1930's and continued until 1964. Some 52 wells had been drilled there, of which 29 proved to be productive and 23 were abandoned. The specific gravity of the crude produced in Pedernales ranges between 17 and 28 degrees API [American Petroleum Institute]. At present, LAGOVEN is scheduled to tackle a program of reactivation and greater development of this old field envisaging the drilling of 43 wells up to the end of 1983. The Pedernales field is located at the mouth of the Pedernales Channel and opposite the town of that same name, in the delta of the Orinoco, between Cotorra and Capure islands. Now, just as before, drillings will be accomplished in the smooth, swampy water of the delta. In order to perform these drilling jobs, LAGOVEN has contracted, for a 3-year period, the services of a barge specially designed for operating in this smooth, swampy water ranging in depth from 1 to 10 meters. With reactivation of the Pedernales field, expansion of LAGOVEN activities in the eastern part of the country continues, entering upon an intensive program of exploration on the continental shelf in the Gulf of Paria and north of the Paria Peninsula. [Text] [Caracas EL DIARIO DE CARACAS in Spanish 16 Jul 81 p 11] 10042

MENEVEN ORGANIZATIONAL CHANGES--Some major changes in MENEVEN were announced yesterday by the president of this PETROVEN [Venezuelan Petroleum] subsidiary, Dr Juan Chacin Guzman. Newly established were the Major Projects Division and the Refining Supply and Planning Division. A new manager was named for the Puerto La Cruz district. The Major Projects Division, based in Caracas, will handle a variety of projects conducted by MENEVEN, including the Oriente LGN or Cryogenic Project and the modification of the Puerto La Cruz refinery, along with others which will be undertaken by the firm. Named to head the Major Projects Division was the engineer Lorenzo Monti who has worked in the petroleum industry since 1964. Since 1975 he has been district manager of Puerto La Cruz. Before that time, he had worked in supervision and management in the MENEVEN refinery in that area. Mr Monti has taken a number of specialized courses abroad, holds membership in professional organizations, and in the past taught petroleum engineering in the University of Oriente. The president of MENEVEN announced the appointment of the engineer Jose Luis Gonzalez as the new manager of the Puerto La Cruz district. Like his predecessor, he has lengthy experience in the petroleum industry, which he joined in 1966. He has taken a number of specialized courses at various institutions. In the last 4 years he has been successively service manager, engineering manager, and operations manager in this district. The president of MENEVEN, Juan Chacin Guzman, also announced the integration of the functions of manufacturing and supply. For this purpose the Refining Supply and Planning Division is being established, to be headed by the engineer Fernando J. Alezones. Mr Alezones also has broad experience resulting from his years of work in engineering, supervisory, and management positions in general at the MENEVEN refinery in Puerto La Cruz; most recently he has worked at the Supply Department in Caracas. [Text] [Caracas EL UNIVERSAL in Spanish 2 Jul 81 p 1-27] 7679

CSO: 3010/1605

'POLITICAL WEEK' COLUMN REVIEWS SINAI PARTICIPATION ISSUE

Buenos Aires LA NACION in Spanish 26 Jul 81 pp 8-9

[Article: "Should Our Troops Go to the Sinai?"]

[Text] On the distant sands of the Sinai, about 100 Argentine troops might be helping to open the doors to a new status for the country in international politics.

Diplomats and military strategists are at work here considering the profits and losses that could potentially accrue to Argentine from its agreement to form a peace-keeping force for the purpose of guaranteeing the demilitarization of the Sinai, once the Israelis evacuate the peninsula in April 1982. What is involved is something quite simple: to ascertain which, in the end, would carry more weight on the scale of the nation's enduring interests: the losses or the profits.

The Military Committee, comprised of the commanders in chief of the Army, Navy and Air Force, and the president, is still in the process of evaluating this sensitive issue which, from all appearances, could prove to have more significance in the overall shaping of Argentine foreign policy than the Beagle conflict itself. This week, Foreign Minister Oscar Camilion, after citing the advantages and disadvantages of sending Argentine troops to the Sinai, predicted to the Military Committee the adverse opinion of San Martin Palace. That position on the part of Dr Camilion came as no surprise. The development movement, of whose ranks he is a member, had already expressed a negative view.

The day before yesterday, LA NACION questioned the Casa Rosada, and the latter replied that, although it might be interpreted that Camilion had voiced opposition to the sending of troops to the Middle East, it was impossible to describe that position as final. In fact, the Casa Rosada maintains that the informational material that Argentina has accumulated on the subject is still far too uncertain to reach an irreversible conclusion as yet.

The history of the matter is as follows. By virtue of the Camp David agreements of September 1978, between Egyptian President Anwar Sadat and Israeli Prime Minister Menachem Begin, with the assistance of President Jimmy Carter, Israel was obliged to make a gradual withdrawal from the Sinai. This arid and virtually unpopulated peninsula which, however, has an area three times that of the state of Israel, was occupied militarily by the Israelis after their resounding victory in the Six-Day War of 1967.

On the map shown on this page, the reader can discern the areas and dates wherein Israel's pledged withdrawal has been taking place, as a result of Camp David. The white area indicates what remains to be implemented by April 1982.

It has been agreed that the complete abandonment of the Sinai will be accompanied by compliance with a group of guarantees, to be overseen by third parties for about 2 or 3 years. No territory the size of the Sinai, but any piece of land, has an exceptional value for Israel. In the long run, its military human resources depend on the mobilization of its reserves; and this mobilization is known as time, and there is no time, unless there is a geography which hampers the enemy's advancement toward Israel's vital targets.

'Non-Paper'

Two months ago, in Washington, the State Department's undersecretary for strategic affairs and defense, Jim Buckley, called together representatives of several countries to talk to them about the purpose of an international peace-keeping force in the Sinai. Our country was one of those invited to attend, together with Australia and Uruguay, among others.

At the conclusion of his remarks, Buckley left in the hands of those present something which has been in vogue in Washington since the time of former Secretary Cyrus Vance: in fact, he left a "non-paper;" a "non-paper," literally speaking, which is less than a memorandum, but which also has an informational purpose, even though it has been prepared to avoid the slightest responsibility.

From what we know, San Martin Palace and the political leadership of the Army, Navy and Air Force are working fundamentally on the basis of a "non-paper" insofar as evaluating the United States' interest in forming a peace-keeping force is concerned.

What does that paper say? Rather than saying, it asks. It asks something like: "Well, fellows, what can we count on from you?" The paper indicates a few points: The peace-keeping force would be formed with three battalions, and there would be accommodation not only for the participation of Army members, but also that of the Navy and Air Force. As for the naval questions involved in the Israeli withdrawal from the Sinai, for the present, the major maritime base of Sharm-el-Sheik is in action. As for the airmen, those attained as a result of the Israeli abandonment of the airport at Etzion, near Eilat, should be mentioned, among many other aspects.

On Friday, 17 July, in London, Egyptians and Israelis initialed an agreement whereby they proposed to the United States that Mr Leamon R. Hunt serve as acting general director of the international peace-keeping force being formed. According to the dispatch which the Argentine ambassador in London, Ortiz de Rozas, sent to the Foreign Ministry, that force would contain 2,000 men supplied with only "personal weapons." The Americans are said to have pledged to provide 700 troops and to supply all the backup personnel that may be necessary. In his wire, Ortiz de Rozas ventured to say that it was his understanding that the Commonwealth would contribute a certain number of troops. This conjecture on the part of the ambassador in London is important, because one of the points that San Martin Palace and also some members of the military leadership have found very sensitive stems from two questions: "If we go, with whom do we go, apart from the United States?" "Do we go only with Fiji, which was the first to suggest that it would agree to be in the group?"

What Camilion Said

From what has been learned, Camilion put forth to the Military Committee some rather weighty arguments in his opposition, on principle, to Argentina's joining the peace-keeping force. Let us observe them, without an order of priorities: 1) Thus far, the composition of the countries joining that force has created a problem; in other words, we cannot go with Fiji alone; 2) the limitation set by Israel and Egypt on the joining of the force by countries which have no relations with them creates another problem, for example, with the majority of African countries; 3) consideration must be given to the self-exclusion of the NATO countries, because of their reservations relating to Camp David (in this regard, our Foreign Ministry might assess what Raymond Aron said yesterday in LA NACION about Mitterrand's receptiveness to the agreements between Sadat and Begin); and 4) it would cause enmity with the nonaligned and socialist countries.

Those arguments may be debatable, but they are serious. On the other hand, what might prove to be a low blow among high-ranking echelons in the Foreign Ministry is the fact that, in private talks with the press it is being claimed that, essentially, the United States and Israel are not really interested in having Argentina in the Sinai.

If this were so, the issue would have to be considered closed. But is it really so? The queries made by LA NACION among Israeli sources in Buenos Aires indicate quite the contrary. The larger the number of countries present in the Sinai, guaranteeing the demilitarization of the region, the better for Israel. Could a country as internationally isolated as Israel perhaps be playing a different card? Might it not be interested in Argentina, where there exists one of the strongest Jewish communities in the world?

Where Egypt is concerned, no one could say anything different from what Foreign Minister Boutros Ghali said during his visit to Buenos Aires in the middle of the month. In fact, he confirmed that his government is interested in Argentine participation in a peace-keeping force. Upon visiting President Viola, Ghali delivered to him a personal letter from Sadat. We know that Viola has already answered that letter, but since Sadat said nothing in it about the sensitive matter on which we are commenting, the Argentine president avoided embarking on the subject, for his part.

Uncle Sam

Finally, it remains to be learned whether it is true that there is a kind of American indifference about our possible decision. To date, there has actually not been anything except that mere "non-paper" of the State Department. On one occasion, the American ambassador talked with Camilion about the Sinai issue, but without conveying any official position, almost as if he were transmitting a personal opinion. Ambassador Shlaudeman has traveled to the United States, and has returned, and he has said nothing new other than what was already known. Our military men unquestionably expect him to say something to explain matters, especially the military who advise the commander in chief of the Army. It is not without reason. On 5 August, Lt Gen Galtieri will be going to the United States, and it is feasible that he do so with the best information available on the subject.

It is precisely concerning what the United States may be expecting of Argentina that involves the essence of what may be, depending on the direction taken by events, a matter of extraordinary proportions for our foreign policy. Through its "non-paper" and the coolness of its politicians and diplomats, the United States may be making a poker game out of all this. Does it, perchance, want to see our cards first, before putting its own on the table?

What exactly is Uncle Sam seeking? To learn how far we are willing to follow him, spontaneously, in a matter so vital to his interests (and, obviously, those of the West) as the Middle East? Among members of the Army leadership, one hears lately a comment containing more than meets the eye: The United States pays well, and if you don't think so, consider what it paid for an expeditionary force that Brazil sent to Europe during World War II.

Today, even if it wanted to, Brazil could not send any force that would be met with adverse feelings by a considerable portion of the Arab world. It is prevented by its dependence in the area of hydrocarbons, and also by the nature of its very special relations with black Africa. That is not exactly Argentina's situation.

Would our affirmative response to the question of the Sinai be sufficient reason to prompt the United States to make a historical restatement of its relations with Argentina? Whoever has the answer to this question will have an enviable vantage point from which to find out what steps it befits Argentina to take in all this.

From PC To the Military

With the headline "Not One Argentine Soldier To the Sinai," the newspaper QUE PASA, official organ of the Argentine Communist Party [PCA], claims that going to the Sinai would mean embroiling the country "in the most aggressive, irrational and rash policy in memory during recent years." The PC, consistent with its pro-Soviet policy, lauded a declaration by leftist political leaders and entities, at the end of which one observes the noteworthy presence of the Peronists Paulino Niembro, Fernando Torres and Florencio Carranza. We say noteworthy because the declaration warns that, if Argentina becomes present in the Sinai, it would break "a political tradition of neutrality." What neutrality are they talking about? Could it be the neutrality upheld at all costs by the Radical president, Yrigoyen, or the Conservative president, Castillo, which was broken when Peron was vice-president and war minister; that is, when Argentina declared war on the Axis, in early 1945? In the historic photo in which that declaration was signed, Peron appears to be laughing; one does not know exactly why, but laughing. There are warning laughs.

Although the interpretation is our own entirely, after contemplating the national situation we think that we note a greater predisposition among the leadership of the Army than in the Air Force or the Navy, to stress what might be the most advantageous aspects of Argentine participation in the international peace-keeping force. We point this out despite the need to emphasize that everyone, absolutely everyone here still has the issue in the process of analysis and information gathering.

It is understood that the State Department had promised to take action to have the United Nations Security Council approve the establishment of the peace-keeping force.

But it is also understood that, a few days ago, it made a move, and perceived that the Soviet Union would be relentless in the exercise of its veto power.

A working paper prepared by the Argentine Army General Staff notes that the formation of a force such as the one planned for the Sinai at Camp David has legal backing in Articles 42 and 43 of the United Nations Charter, on action in the event of threats to peace, a break therein or acts of aggression; and essentially in Article 52. The latter states that this charter does not oppose the existence of regional accords, and that the members of the United Nations which make them "will expend all possible efforts to achieve the peaceful settlement of controversies of a local nature, by means of such accords or agencies, before submitting them to the UN Security Council."

Vulnerability

A force of 2,000 men has a political significance rather than being military in nature, especially when it must be located between two armies with the potential of those of Egypt and Israel. It is also true that the UN did not give its approval of Camp David; but the complete withdrawal of the Israelis is one aspect of those agreements, and not the most favorable one for Israel. Is there any Arab leader willing to shout his opposition to having that territory returned to Egypt?

However, it is noted in San Martin Palace that, to a considerable portion of the Arab world, such a territorial recovery would be a betrayal of the Arab cause; because it would leave the option of war definitively impaired, inasmuch as Egypt is the only one of those countries with a sufficient number of troops to confront Israel. Viewed from a different angle, is not conducting a peace-keeping mission precisely the definitive impairment of an option for war?

Argentina has its vulnerability in the international realm. The issue of the missing persons is still current. Votes that we could give away by going to the Sinai are also votes that we might lose within a few months, when Argentine diplomacy seeks the reelection of Dr Jose Maria Ruda to the International Court of Justice, and of Dr Julio Barboza, to the Commission on International Law, in Geneva. But are the enduring interests of the republic, the consistency of our position in the world and the allies that we are willing to select implicated therein?

Congratulations From Videla

If it had to make up part of three battalions, Argentina would not go merely with officers and subordinate personnel. To send recruits it would, indeed, strip a politically complex flank in the internal area, although perhaps affecting the families more than the young men. After the experiences in Tucuman and with Chile in 1978, one may be sure that a call for volunteers would be made successfully. But, even so, it is possible that, if the situation should arise, military regulations would allow for an even more feasible response, for example, through the incorporation into a special military corps of the candidates accepted in the petty officers' schools.

There is no dearth of precedents, including actual war experience. In 1962, the "Espora" and the "Rosales," under the command of Admiral Arguelles, took part in the blockade on Cuba, while the Tenth Army Brigade was enlisted here. In the soccer

war between Honduras and El Salvador in 1969, troops from the Army and Air Force participated in a cease-fire mission. Near the end of the Six-Day War, as members of a UN force, the then Majs Iriart and Franculli, and Capts Gomez Pola and Caffarena, all from the Army, Maj Flyger and Capt Anastasio, from the Air Force, and Corvette Capts Escobar and De Marco, were in the Middle East, as observers. Flyger and Espina were wounded on the banks of the Suez Canal. Our flyers also saw action in the former Belgian Congo.

Whatever Argentina's final decision is, it should be made with deliberation. There is plenty of time for it. Meanwhile, it has been over 2 years since President Videla congratulated Sadat and Begin for the Camp David embrace.

2909

CSO: 3010/1610

DAILY COMMENTS ON REAGAN LATIN AMERICAN POLICY

PY262333 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 18 Jul 81 p 3

[Text] Whenever there are elections in the United States and a new President takes office, Washington announces a new policy for Latin America. Invariably, however, all these policies present two notes in common. They begin with a total ignorance of Latin American reality and, a short while later, they fall completely into oblivion leaving things as they were before. With Ronald Reagan, however, American diplomacy has presented preceptible changes. Generally positives, but there are no indications that the American Latin American policy has departed from its eternal routine. On the contrary, the White House and the State Department are beginning their offensive in the same direction, putting the wrong foot forward.

A few days ago in this column we commented on the failure of the Bahamas meeting designed to launch a "Mini-Marshall Plan," and coordinate the policy of the countries of the region toward confronting subversion promoted by Cuba in the hemisphere and especially in Central America, Canada, Mexico and Venezuela participated in the meeting, and the only country to adopt a more realistic and more constructive position was exactly Canada, a country which is not Latin American and which is not affected by the problems of the hemisphere.

Now President Reagan seems disposed to undertake a new effort for the same purpose, promoting a meeting with the heads of state of the three countries that took part in the conference in an attempt to "salvage" what couldn't be rescued in the Bahamas. At the same time the White House Chief decided to send the new U.S. ambassador to the OAS, J. William Middendorf, to South America. Middendorf has already begun his peregrination to Peru, Chile, Argentina, Uruguay and Paraguay in the hopes of convincing the governments of those five countries to isolate Cuba even further and to pressure Fidel Castro into withdrawing his support for guerrillas. His mission should later be completed by the Under Secretary for Inter-American Affairs, Thomas Enders who, according to reports, will visit Peru, Brazil and Paraguay.

It would be enough to list the countries included in the three diplomatic initiatives to show that Brazil, undoubtedly the most important country in the hemisphere, is relegated to a modest second level. Both parties are responsible for this, meaning Washington and Brasilia.

As for the United States, it is frequently carried along by its ignorance about Latin America, as we said before, in not perceiving the differences in origin, traditions and development that make the Americas practically two worlds apart, or even three if one cares to include the United States and Canada. Limiting ourselves to Latin America, however, it seems that the United States can't perceive the difference between Haiti and Brazil, or between Barbados and Argentina.

Aside from Canada, only two countries from Latin America were invited to attend the Bahamas meeting. Two countries which find themselves in the special situation of having to take outwardly anti-American positions in order to satisfy the leftists in their home territories. Such countries, as it was seen, even dared to ask the United States to finance the failed Cuban regime and the communication of Nicaragua. Aside from choosing its interlocutors poorly, the United States wounded the susceptibilities of Colombia and Panama which protested their being excluded from the encounter.

Colombia is a country which could have served as a link for approaching Brazil, since the Colombian president will be our guest in the near future. Not only Bogota was excluded from the Bahamas meeting, but Brasilia was left off the itinerary of Middendorf. In compensation, Middendorf will visit countries which at present are the target of a large international campaign aside from having, because of their geographical position, little to do with what occurs in the Antilles.

If President Reagan is trying to show that he won't let himself be influenced by international campaigns directed in accord with purely ideological principles, his gesture is laudable. This independence has been, up until now, a characteristic of his diplomacy. Moreover, the distinction accorded to countries like Uruguay and Paraguay by the Middendorf mission is not justified by any possible result and is merely going to make Washington the target of new anti-American campaigns. The embarrassment could be spared if, without excluding Uruguay, Paraguay and Argentina from the OAS ambassador's itinerary, his journey were extended to include all the capitals of South America.

Here, however, one cannot omit pointing out that the marginalization of Brazil is also the fault of the sorry diplomacy currently put into practice by Itamaraty. Breaking in the name of an ill-defined "responsible pragmatism," with our alliances and our traditions, those currently responsible for our diplomacy merely concern themselves with forcing an unnatural inclusion of Brazil in the so-called Third World with which it has not traditions and hardly any interest in common. Instead, they distance Brazil from its natural position as the major country of the hemisphere, depriving it of the possibility of exercising a mission, if not of leadership--a word banned in Itamaraty's "index" [book on diplomatic conduct]-- at least of mediation, for which Brazil is destined because of its position and its traditions.

The result is that, at a time when the country should be occupying a prominent position, one sees it condemned to an undeserved second place.

CSO: 3001/219

EDITORIAL SCORES REAGAN POSITION AT OTTAWA SUMMIT

PY242228 Sao Paulo FOLHA DE SAO PAULO in Portuguese 23 Jul 81 p 2

[Text] As predictable, the main economic topic at the Ottawa meeting--which brought together the heads of state of the seven most developed capitalist countries--was the current U.S. monetary policy.

From the standpoint of the European countries, that policy which has a definite restrictive shade to it, is responsible for the high U.S. interest rates which cause double difficulty to the Europeans. On one hand, those interest rates lead to an overvaluation of the dollar against their currency because such high rates stimulate a strong flow of financial resources toward the United States. Such overvaluation of the dollar, in turn, raises the price of European and Japanese dollar-based imports [oil for instance] thus hiking the domestic inflation rates. On the other hand, the only expedient to curb or at least moderate that adverse evolution seems to be that of also raising interest rates in the other developed capitalist countries, an expedient which would only deepen the serious recession some of them are experiencing, as is the case in the France, Great Britain and Italy.

From the standpoint of Brazil, the current U.S. monetary policy has had quite adverse consequences which explain our special interest in the Ottawa meeting. In the first place, the U.S. policy also pushes upwards the interest rates on international loans, which follow the trends of the U.S. financial market. This way, the servicing of almost two-thirds of the foreign debts increases because they were contracted at readjustable rates. In the second place, since the devaluations of the Brazilian currency is pegged to the U.S. dollar, the cruzeiro has in fact come to be overvalued in relation to European currencies, thus hurting our exports to that area and, conversely, stimulating imports from that area. Finally, another damage to Brazilian exports is caused by the fact that the high international rates discourages the maintenance or formation of primary products stockpiles in the developed countries, thus seriously curtailing our exports of those products. Incidentally, this circumstance is partly responsible for Brazil's exports performing below expectations during the first half of th's year.

As predictable as the central economic topic at the Ottawa meeting were the U.S. resistance to changing its monetary policy and Reagan's argument that soon interest rates will decline as a result of the success of his domestic economic policy. This argument, based on the conviction that the inflation will

substantially and simultaneously abate as the economy gains vigor, was sufficient to deprive Ottawa of any important economic decision because the meeting even lacked a deliberative character to ponder issues and decisions carefully. In addition, the fact that the opponents of the U.S. monetary policy do not have any effectively retaliatory economic power to prod the United States into reviewing its monetary policy must be taken into account. It could be noted as a minor but folksy detail that Reagan may have been helped by the masochistic conservatism of Mrs Thatcher who preferred not to press for changes in U.S. interest rates despite the fact that her country is the most vulnerable to the effects of such rates.

Thus, once more, as has been the tradition since the 1920's, other developed and developing countries can only hope for the promised results of the U.S. economic policy whose spirit has always been, as it is now, one of olympian disdain for the eventual adverse effects which that policy has had on the rest of the world at diverse critical periods. This is a hope fraught with uncertainties because there are justifiable doubts about the consistency of Reagan's economic program due to the fact, among others, that the U.S. annual inflation rate, contrary to the monetarist tenets the Washington government adheres to.

CSO: 3001/219

DAILY QUESTIONS DELAY IN VOTE ON FOREIGNER'S LAW

PY310322 Rio De Janeiro BRAZIL HERALD in English 30 Jul 81 p 2

[Text] After the recent publication of the proposed amendments to the foreigner's statute, the impression prevails that the interested parties are not actually playing a comedy of errors but are affected by strange inhibitions. It is not quite clear why a long series of debates and negotiations between the minister of justice and various groups concerned with the problem of the immigration issue now seems to have reached a stage of immobility.

The text of the new statute seems to take into account nearly all the relevant objections raised in the congress and by the church against the statute enacted last year. Does there exist other points calling for a revision, in addition to those already mentioned?

This is likely because no law is ever sufficiently perfect to not require more and more adjustments to varying social and economic circumstances, but it is undeniable that the most controversial items in last year's statute have been corrected in the new project.

At the moment it is not clear why the opposition parties are now reluctant to approve the project, after even the church hierarchy has asked for "benevolence" in discussing the definitive statute.

The project eliminates the most controversial item in the present statute which permitted the expulsion of aliens even though they have Brazilian spouses and children economically depending on them. The project makes only one restriction--they must have been married for more than five years, to prevent fake marriages. The five-year term is liable to criticism for being too long, but in principle, the issue has been solved in accordance with Brazilian tradition.

The new project eliminates the bureaucratic rule that aliens seeking naturalization have to undergo medical tests. Safeguards against extradition of aliens have been extended and the functioning of foreign religious organizations has been facilitated. The same guarantees are foreseen for scientific, social, benevolent and other associations of foreigners. The entrance visa for foreign missionaries is to be granted for longer terms with the possibility of becoming definitive. What are now the reasons which cause opposition groups to delay the procedures for the enactment of the new statute--an attitude which has already

caused a statement of concern by the Nuncio? The deadlock looks irrational because it has not been explained so far. If the opposition wants to obstruct the issue, it will incur the disapproval of those for whose interests it pretends to fight. What are the reasons for the delay in sending the new project to the congress where some items still could be corrected.

CSO: 3001/219F

EDITORIALIST ON 'FAILURE' OF OTTAWA SUMMIT

PY240234 Sao Paulo FOLHA DE SAO PAULO in Portuguese 23 Jul 81 P 2

[Text] The meeting of the leaders of the seven richest nations has ended without even an inkling of agreement. They did not even manage to open lines for understandings and this is bad for everyone--industrialized and developing countries, mainly for the latter.

The immediate consequence of Ottawa is to make unnecessary the North-South conference scheduled for October in Cancun, Mexico. If the leading nations of the capitalist world do not have a common position on the economic problems they are facing, they will hardly act as a bloc when making concessions to alleviate the hardships of the developing countries.

How will they discuss interest rates for third countries if the question continues unsolved among the seven? It is obvious that there will be no result at all of this. Therefore, the failure at Cancun will be inevitable unless the Third World representatives--16 presidents, including President Figueiredo--go there united and intent on obtaining advantages at any price.

The failure will be inevitable and foreboding. Worried over their own misfortune, the rich nations seem to have forgotten that a leadership position presupposes the existence of nations to be led. If the developing countries are led into bankruptcy, the entire Western system will sink with them, and we are not too far from disaster.

To see that this is so, it will be sufficient to look at the repercussions of the Ottawa failure on Brazil's situation. The other big partners could not persuade Reagan to change his domestic economic policy which is geared to fighting inflation with high interest rates. On paper this is nothing but a divergence among the rich, but for Brazil that small divergence means an expenditure of something like \$15 billion to service its foreign debt over the next 12 months.

Even with continuously rising exports, Brazil will not earn sufficient foreign exchange to pay interests and buy the oil consumed. The country will have to resort to foreign loans for its common imports, remittance of profits, foreign debt amortizations, and to meet all the other external obligations it cannot perform any magic.

And that is only one of the implications of the disagreement among the industrialized countries. Since they will continue with their recessive policies, the price of primary products will remain low due to reduced demand. Moreover, capital which might be interested in coming to Brazil will demand extra advantages because it can earn 25 percent per year while staying home.

In sum, the prospects for Brazil and for scores of countries in a similar situation are not bright at all. The rich countries are killing the hens which lay the golden eggs.

CSO: 3001/219

GOVERNMENT ISSUES REMINDER ON POLITICAL RECESS

PY302154 Santiago Chile Domestic Service in Spanish 1730 GMT 30 Jul 81

[Text] Today all the Chilean intendants, governors and mayors were given instructions on the implementation of the law, currently in force, regarding the political party recession in case any person, entity group or movement tries to violate it.

In this regard, Jorge Fernandez, director of the government communications agency (DINACOS) after noon today disclosed the Interior Ministry's position by pointing out that the government will prevent any action which may serve as an excuse to alter the institutional process underway, since violating the political party recession goes against the government and citizens joint desire which was voiced with the approval and ratification of the current constitution.

At the same time the government will not hesitate in strongly preventing the citizenry's participation, currently carried out through the organization for voluntary workers (Voluntariado) and neighborhood organizations, from being orchestrated by persons or groups thus distorting the appeal made by his excellency the president of the republic on 11 September. In this appeal he asked all the citizens to join their respective counties in order to strengthen the participation of those organizations.

Therefore, the communique released by DINACOS points out that any political party activity aimed at reviving or forming political parties or movements--should they be in favor or against the current regime--will be considered a violation of the political party recession.

All the intendants, governors and mayors of the country were given special instructions in this regard today.

CSO: 3010/1621

GOVERNMENT BANS FORMER CONGRESSMEN'S MEETING

PY292033 Paris AFP in Spanish 0233 GMT 29 Jul 81

[Text] Santiago, Chile, 28 Jul (APP)--The Chilean Government today refused to authorize a so-called circle of former congressmen to hold a meeting on next 1 August to commemorate the 170th anniversary of the establishment of the National Congress. Interior Minister Sergio Fernandez said in a communique that a group of former parliamentarians have characteristics which lend themselves to presume that there is an intention to carry out, under this disguise, activities which contravene the norms in force regarding the recess of party politics, since the national congress was dissolved on 24 September 1973.

Two weeks ago the circle of former congressmen, in the process of organization, asked the Santiago military command for permission to hold a meeting at a downtown hotel in this capital in order to study the role played by the national congress in Chilean history, as stated by the organizers of the event. The petition then went to the Interior Ministry which forbade the meeting today, saying that it would be against the recess of party politics in force in Chile since 11 September 1973, when a military uprising toppled the government of the late socialist President Salvador Allende.

The communique added: This ministry has never believed it to be suitable to authorize meetings of institutions which are only in the stage of organization but has always waited to make a decision on the subject until the bodies are organized and it becomes possible to verify that their aims and structures are compatible with the juridical order in force.

The communique said that the study which prominent historians and analysts may make regarding the national congress is of the greatest interest. "Since it will become possible to appraise, within the framework of respect it deserves as a republican institution its merits and contributions to our civic development, as well as the defects which, unfortunately, prevailed during some stages of its functioning with all the consequent damage to the country."

The circle of former congressmen would be made up of former parliamentarians of the most diverse leanings, such as conservatives, Christian Democrats, radicals and socialists, under the presidency of former conservative Senator Hugo Zepeda.

CSO: 3010/1621

ISSUE OF SOVEREIGNTY IN ANTARCTIC DISCUSSED

Santiago EL MERCURIO in Spanish 12 Jul 81 p A3

[Editorial: "Antarctic Rights"]

[Text] On occasion of the holding of the eleventh consultative meeting of the parties to the Antarctic Treaty, the discussion on exercise of national sovereignties on that continent came up again.

Preservation of our Antarctic sovereignty has two main policy aspects that must be taken into account: one, international in nature and the other, domestic in nature. The first aspect pertains to the possibilities that Chile's sovereignty, like the sovereignty of the other claiming nations, may actually be safeguarded within the framework of the negotiations in progress and of the future prospects for cooperation under the 1959 treaty. These columns have pointed out several times that it will be indispensable, in this field, to reconcile those national claims with an international system, without having either of these aspects entirely ruling out the other one.

Actually, in view of the fact that the Antarctic system has active participation both by nations claiming sovereignty and by others that do not recognize territorial claims, it is imperative for the solutions that may be achieved to have a high international component, as has been true of the treaty itself and of the convention on conservation of living resources. Nevertheless, in order for there to be an agreement, it is also necessary for those international regimes to take adequate account of the rights of those who are exercising their sovereignty in the region. Up to now, this has always occurred satisfactorily.

The chairman of our country's delegation to the above-mentioned meeting, Ambassador Fernando Zegers, has stressed the importance of carrying out, together with Argentina, a policy of joint defense of the respective Antarctic rights. Undoubtedly this is a desirable, positive measure, because both countries recognize each other's claims mutually and have pledged their Antarctic cooperation.

In addition, strengthening of our Antarctic rights has a domestic dimension, consisting in the national policies that will make Chile's continued presence on that continent and its development possible. In some fields, these policies have been successful and are contributing constructively to this objective. The permanent activity of the bases maintained there by our country and improvement of the sea

and air links between the mainland and the Antarctic are some outstanding examples in this connection. In other fields, however, serious deficiencies cannot fail to be observed.

The scientific research being carried out by Chile depends on the unselfish dedication of university scholars, without the existence of any significant support whatsoever as part of a development policy, except with regard to the necessary logistic facilities. The administrative structures participating in this field are characterized by their slowness and scanty flexibility. This has led to a questioning of their present effectiveness.

It would, perhaps, be advisable for this domestic dimension of the problem to be subjected to very careful study by the government authorities, because, if the Antarctic national policy measures are not consistent, in some cases, with the dynamism observed abroad and with the tendencies of Antarctic cooperation, our own rights could turn out to be affected.

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CSO: 3010/1605

CARDINAL CONDEMNS RESURGENCE OF VIOLENCE

PY241844 Paris AFP in Spanish 0153 GMT 20 Jul 81

[Text] Santiago, Chile, 19 Jul (AFP)--During mass held in this capital today Chilean Cardinal Raul Silva Henriquez made a fervent appeal to preserve dialogue and peace as well as the respect of all human rights in Chile and the world.

In a mass closing the 42nd International Eucharistic Congress held at the Lourdes Basilica, the Cardinal strongly referred to the resurgence of violence registered in the country the past few days.

At present our country is facing serious problems. We are faced with acts of terrorism and violence which we strongly condemn wherever they should come from or whoever they may be carried out by. He added that we cannot accept violence.

He said that the church has stated this by every means and at all times. The cardinal added: "We have been preaching this for 10 years now but nobody has listened to us. The church's protest hasn't been listened to.

Political violence in Santiago has resulted in four victims during the past 2 weeks. The last victim was Maj Ingrid Olderock of the Carabineros militarized police forces who was shot in the skull by a commando of the underground Popular Resistance militias.

The wave of violence started when a government agent of the National Intelligence Agency (CNI) was machinegunned by presumably leftist elements, followed by the murder of two members of the Movement of the Revolutionary Left (MIR), who were acting underground.

In this regard Cardinal Silva Henriquez stated: "We are really sorry about the climate of difficulties and so much violence we are experiencing at present. Our fatherland is entering a tremendously conflictive and difficult situation."

At the church which was crowded with believers, the head of the Chilean church recalled that a great fatherland can only be created through dialogue, respecting everyone's rights.

He added that it is necessary to pray for all the men of good will of this world, which are the great majority, for all those who love Chile and those who love their fellowmen to follow the path of dialogue justice and peace.

Cardinal Silva Henriquez ended stating that we will pray that violence will end to make room for dialogue, justice, tranquility, peace and order which stem, precisely, from justice.

CSO: 3010/1621

DEATH THREATS MADE AGAINST CNS LEADER

PY251353 Paris AFP in Spanish 2028 GMT Jul 81

[Text] Santiago, 22 Jul (AFP)--It was reported today that a leader from the dissident Union Coordinating Board (CNS) has requested court protection from death threats made by an apparently anti-Marxist secret group.

According to the report, unknown persons painted the hammer and sickle on the door of Hernan Jofre Ponce's house, and then, through anonymous phone calls, they warned him that he would meet the same fate as the leftist painter recently assassinated in Santiago by the self-style GAMA rightist commando.

GAMA this month claimed responsibility for the execution of an outlawed socialist party's leader who had been machinegunned on a street in this capital.

Jofre Ponce was imprisoned at the beginning of July together with nine other members of the Union Coordinating Board, charged by President Augusto Pinochet's government with claiming undue labor representativity.

CNS's President and Secretary General Manual Bustos and Alamiro Guzman are still in jail while the trial requested by the government is underway.

The Union Coordinating Board brings together centrist and leftist workers who reject the socioeconomic policy of the regime headed by General Pinochet since the overthrow of socialist President Salvador Allende in 1973.

The CNS last month submitted a memo listing its requests, and the government reacted by urging judicial action against CNS's leaders, who were referred to as communists.

CSO: 3010/1621

APPEAL FOR WHEREABOUTS OF RETURNED EXILES

PY241622 Paris AFP in Spanish 1712 GMT 21 Jul 81

[Text] Santiago, 21 Jul (AFP)--Two Chileans in exile who tried to return to the country with forged documents were arrested in Argentine territory and handed over to the Chilean police 5 months ago. This was stated here today by a French lawyer who requested information on the whereabouts and fate of the arrested persons.

The legal action undertaken by attorney Jean Paul Levy, from Paris, is in favor of nurse Jose Alejandro Campos Cifuentes and farmer Luis Quinchavil Suarez who were stopped by Argentine border guards when they were crossing over the border to Chile on 19 February in Paimun.

Across the border from Paimun, 840 km south of Santiago, the Chilean army and air force are currently persecuting a group of leftist guerrillas who, according to the government have established a network of camps and refuges in a wooded area in the foothills of the Andes mountain range.

In the appeal submitted to the Santiago Court of Appeals attorney Levy states that after being arrested, Campos and Quinchavil were handed over to the Chilean authorities in compliance with an agreement between the respective police forces.

Levy himself pointed out that the two Chileans were carrying forged documents when they were arrested.

It was recalled that Campos and his friend had been incarcerated by President Augusto Pinochet's regime after late socialist President Salvador Allende was ousted at the end of 1973. Later their sentences were commuted to banishment and they reportedly sought asylum in Europe.

Attorney Levy is acting before the Chilean courts on behalf of the International Federation for Human Rights, the International Movement of Catholic Lawyers, the Pax Romana Organization and the Association of Independent Lawyers.

CSO: 3010/1621

BRIEFS

MINISTER SCORNS PSEUDOLEADERS CRITICISMS--The Minister Secretary General of Government, Julio Bravo, today said that the government will not hesitate to implement all the necessary measures established by the constitution to face Marxist aggression. He also reaffirmed once again his faith in the Chilean workers and in their authentic representatives. He emphasized that their frank and loyal attitude noticeably contrasts with other pseudoleaders who prefer to use cunning and ill-intentioned criticism void of any positive contribution. These remarks were made by Bravo during a labor seminar on national modernization and development with the participation of more than 300 union leaders from around the country held in the facilities of the private employees union in this capital. [Text] [PY292210 Santiago Chile Domestic Service in Spanish 1730 GMT 29 Jul 81]

LEADERS REPUDIATE UNION COORDINATING BOARD--A group of 12 union leaders from the capital and the interior repudiated the National Union Coordinating Board (CNS). They stated that the organization lacks representativity and that it follows the instructions received from the [words indistinct]. (Juan Sanhueza) leader of the single Huachipato union, of the eighth region, stated that it is true that the workers have problems but that those problems will be solved through the corresponding channels. He added that we do not need foreign persons to come and interfere in the union leaders' activities aimed at solving the problems. In referring to the problems and concerns of the workers of Huachipato he stated that they are awaiting collective bargaining and have requested legal advice from the Labor Ministry under secretary for this. [Words indistinct] Labor Director General (Ramon Suarez) go to the eighth region. The remaining union leaders also voiced their full repudication to the CNS and charged it with being nothing but a facade for international communism. [Excerpts] [PY231930 Santiago Chile Domestic Service in Spanish 1730 GMT 23 Jul 81]

CARABINEROS CARRY OUT DRAGNET--Santiago, 25 Jul (AFP)--The Chilean police have arrested 2,505 persons, checked 5,300 vehicles and thousands of suspects throughout an operation which was launched on Friday and ended today. During the special dragnet carried out by Carabineros, suspects, persons without documents, prostitutes, illegal tradesmen and drunken drivers were arrested, according to the semiofficial news agency, ORBE. Police sources claimed that in recent months an average of eight taxi robberies, five deaths in traffic accidents and at least 30 crimes against persons or properties have been taking place in Santiago de Chile between Friday and Saturday. The same sources stressed the recrudescence of violence in the Chilean capital where the leftist Popular Resistance Militias

(MPR) have claimed responsibility for bank robberies, attacks on police stations and the assassination of various secret agents of General Augusto Pinochet's government. At the same time an alleged rightwing commando self-styled GAMA, has claimed having killed two leftists last week. [Text] [PY252015 Paris AFP in Spanish 2000 GMT 25 Jul 81

CSO: 3010/1621

BRIEFS

OPPOSITION CHARGES HARASSMENT, SEEKS GUARANTEES--Bogota--The opposition sectors have asked the government of President Julio Cesar Turbay Ayala for full guarantees in the upcoming electoral campaign. After a meeting held today with the Bogota government secretary, Ricardo Correa Cubillos, the national opposition union denounced the militarization of the capital and the harassment to opposition sectors. The opposition sectors also expressed surprise over what they called the government's pretentiousness in connection with the granting of authorization to hold meetings behind closed doors, which they regard as unconstitutional and illegal. [Text] [PA291645 Bogota Cadena Radial Super in Spanish 2330 GMT 27 Jul 81]

FOREIGN MINISTER TO ANDEAN MEETING--Bogota, 29 Jul (AFP)--Colombian Foreign Minister Carlos Lemos Simmonds announced here today that he will participate in a "summit meeting" of Andean Pact foreign ministers that will begin on 24 August in Caracas. Lemos Simmonds, a 48-year old lawyer and newsman, accepted the invitation to the meeting that was made by Venezuela Foreign Minister Jose Alberto Zambrano Velasco through the Venezuelan Embassy in Bogota. Lemos Simmonds said that the "summit meeting" will include the foreign ministers of Colombia, Bolivia, Ecuador, Peru and Venezuela, and that the meeting is an offshoot from an earlier meeting the same foreign ministers held with Venezuelan President Luis Herrera Campins in Caraballeda in May. Lemos Simmonds said that "the meeting will allow us to seek means for strengthening the integration process of the five Andean countries." Lemos Simmonds will travel to Caracas 1 day before the meeting is scheduled to begin. [Text] [PA300030 Paris AFP in Spanish 1407 GMT 29 Jul 81]

GUERRILLA ACTION REPORTS--Bogota, 21 Jul (AFP)--Military spokesmen reported here today that one guerrilla died and two others were captured by the army in northwestern Colombia. The 4th Brigade, headquartered in Medellin, announced that the rebels belonged to the pro-Chinese people's liberation army which operates in the Uraba area, near the border with Panama. In Bogota 20 persons were arrested during raids made following yesterday's attack on the presidential palace, in which only two persons were badly hurt and minor damage done. Among those under arrest is Manuel Martinez, defense lawyer for Jose Antonio Navarro, one of the leaders of the extremist 19 April Movement, M-19, who is currently facing a court martial at La Picota jail. Also arrested were other presumed M-19 guerrillas who were recently released after serving their sentence. [Text] [PA241419 Paris AFP in Spanish 0025 GMT 22 Jul 81]

IDEOLOGICAL CONTACTS, PROPAGANDA, WESTERN MEDIA DISCUSSED

Havana CON LA GUARDIA EN ALTO in Spanish Dec 80, Jan 81

[Two-part article by Silvio Jova]

[Dec 80 pp 28-29]

[Text] We recently read a document of great historical importance: the report to the Seventh Congress of the Communist International that was presented magistrally by the Bulgarian leader Georgi Dimitrov. The report dates from 1935, but we saw in it numerous issues of current, and not just historical, interest. One of the principal issues on which he focused attention was the phenomenon of fascism and its way of serving the exploiting classes while using language full of demagogic slogans. We then understood how much the imperialists have learned from the methods used by the fascists and especially by its Nazi variant, on hearing President Carter speak about different events.

By no means can the imperialist propaganda media baldly reveal their true intentions. They disguise everything with a varied assortment of attractive slogans and words such as "freedom," "democracy," "human rights," and others. In this way, their entire policy remains covered by empty, but effective, phrases. Moreover, combined with this, which we could consider general in nature, just as the Nazis did several decades ago, they have campaigns more limited in scope that are oriented toward young people, workers, farmers, women, blacks, religious people, intellectuals, the military, and, in general, toward each class and social group that is oppressed in one way or another and whose interests run counter to those of the imperialists.

However, these campaigns are increasingly losing their rational character; that is, they cannot be based on valid reasoning capable of convincing. Of course, in the countries where capitalism rules, the general atmosphere is one of inundation with information, whereby it is possible to briefly turn the people's attention from fundamental problems. Day by day, however, it becomes more difficult to say something on the radio, on television, or in the movies and encounter a daily situation different from that suffered by the worker in the flesh. Even the traditional formula of divide and conquer becomes more dangerous because the bourgeois social system contains enough contradictions to be fostering others artificially. As a result, propaganda gives way to manipulation of the consciousness.

Manipulation depends on some elements of human psychology that derive from its animal heritage. It should be no secret to anyone that in man there are physical,

chemical, and biological processes, but that man is not a physical body, nor a chemical compound, nor an animal; he is a markedly superior being, for he is capable of consciously transforming nature through the use of tools. That is, he is a worker able to solve problems in an increasingly better way. Also, he has that capability in common with his fellow men; that is, living in society.

Manipulation springs from the existence in man of a number of unconditioned reflexes that arise and develop in childhood. When the human personality becomes defined during youth because of the social life that has been shaping each of its characteristics, we find that, as the saying goes, "Each person is a world." That world not only is full of ideas, knowledge, skills, and abilities but also possesses feelings and emotions. It interacts within itself in complex processes by which man identifies, evaluates, plans, and acts. But there is a number of mechanisms in these processes that need not be learned, e.g., fear, sexual attraction, the digestive system, defenses from attack. These constitute a unit responsible for watching over human survival; the scientific study of them receives considerable attention throughout the world. The imperialists have studied them--and are studying them--with great care.

Hence the great pornography business that enjoyed a boom recently throughout the capitalist world, based on the acquisition of thousands of millions of dollars in earnings from the human being's powerful sexual mechanism. The use of violence in their movies is also the use of that system in the human mind where fear and the capacity for defense and attack to save one's life, etc., are mixed. Hence a number of elements has been discovered that can unleash these mechanisms and systems without participation by the "polite" part of man's consciousness. An example is the research concerning colors that provoke certain reactions of excitation. With a certain intensity and other characteristics, sounds, too, can provoke simple involuntary acts. Through the combination of several of those resources, unthinkable actions can be produced for a time.

However, if we also take into account that in the very process of teaching, effective methods have been discovered for fixing ideas, such as repetition, the linking of the word with corresponding images and sounds, the coupling of new content to be learned with aspects of the student's daily experience, etc., we find that imperialist propaganda possesses sufficient resources to manipulate people's consciousness, and that they sometimes act contrary to their principles and interests. Obviously, for this to occur, it is necessary that the person constantly be in a favorable environment, such as that existing in any capitalist society, in which the school, the communications media, the social organizations, the government, and practically everything is designed to hide reality, presenting it concealed and distorted. In socialism, because its social system--and within that, education--is a means for man to become increasingly in touch with reality, it is practically impossible to manipulate man because he is taught the truth; and Marxism-Leninism begins with the raising of man's consciousness to full understanding of nature, society and thought and the laws that govern his development. Socialist man is free because he knows reality and cannot be manipulated. This is unquestionably so if man does not turn his back on socialism and oppose it, allowing himself to be penetrated by various routes.

[Jan 81 pp 22-23]

[Text] One of the most important media of propaganda and agitation is personal contact, direct discourse between people without an intermediary or with a minimum of mediation--for example, a microphone. It is the most effective way of transmitting ideas to others, especially because it is possible to immediately perceive the positive, negative, or neutral reaction of the recipient of the message.

Perhaps it would be appropriate, since at times the best intentions are frustrated by a poor beginning, to explain at the outset what we call propaganda and what we call agitation. In daily life, the two terms are used in nearly the same sense, but there actually are differences. Propaganda is systematic and is intended to inculcate a body of developed ideas that correspond to the interests of a social class.

Agitation is more limited; that is, it embraces one or two ideas, but it seeks a more immediate response from people, focusing for that purpose on their emotions, their feelings. For example, a lecture on capitalist exploitation, its essence, and the economic laws governing it is propaganda, although, given our situation in the ideological struggle, it has elements of agitation. But an act of rejection of a counterrevolutionary deed is agitation, for it moves us to condemn our friends.

The imperialists also have their direct agents for their ideological work. However, there is no question that in that critical field the Revolution can bring much greater resources into play.

Who is the agent for the enemy's direct propaganda? He who at times of most intensive aggression of all kinds by the American government and its lackeys against Cuba serves as emissary to their disseminators of propaganda. As a rule, their sources of information are the capitalist countries' broadcast transmitters, whose distorted versions of events they undertake to spread among innocent or politically and ideologically untutored people.

Where do these agents come from? Their natural origin is the social groups, sectors, and classes hostile to the socialist transformation of society in general and of our country in particular. Because of their origin, the exploiters who were affected by the revolutionary laws constitute the chief bastion of reaction, but not the only one. There are also those who were a part of the repressive apparatus serving those classes, as well as all the social parasites generated by the system: the criminals, hoodlums, gamblers, and so forth. Since 1959 there has been a process of the social cleaning up of Cuba, but there are still remnants of that society, although insignificant in number.

Now, the capitalist system in Cuba also had the characteristics of underdevelopment. This meant that for the American imperialists Cuba represented:

--A place of amusement for lazy Yankees could experience strong emotions.

--A market for placement of their products under advantageous conditions.

--A "reserve" country where they could find what the monopolies needed at a given moment: whether a vote at the United Nations or a boxer to entertain the public and in passing to squeeze a few dollars out of the workers in gate fees and bets.

Therefore, everything that lay outside these needs of the financial oligarchy had to develop on its own. The levels of education, public health, social security, etc., were minimal in order to guarantee earnings, and they were not lower because of the Cuban workers' constant struggles.

In our history we see that revolutionary struggles developed precisely within the bounds permitted by the system established in Cuba by the United States, who made use in part of what they found useful in the Spanish colonialism endured for 400 years. Outside the "limits" of what was permissible, there appeared distorted solutions for a number of the country's vital problems.

For example: Because there were not enough doctors, there were quacks; culture was restricted for the masses, so a pseudoculture developed; there was inadequate housing, so unhealthy tenements and slums were created; and so on.

In combination with this, the army of unemployed that the capitalists maintained as a result of their system's law of capital formation* also created a number of marginal occupations that allowed a precarious subsistence. However, in the capitalist society the major objective that this instilled in everyone was to "get rich," or, what is the same thing, to "have more things and money than the others." This meant, too, obtaining wealth by the shortest route, which undoubtedly was not that of work but rather that of political and social parasitism. To achieve that it was necessary to prepare, to train, from early childhood.

With the triumph of the Revolution, the basis for "exclusion" disappeared; but this problem persists. It is an objective phenomenon independent of the will of the revolutionaries, whose immediate, total solution is not possible because of that very inherited underdevelopment, with its economic characteristics and partial scarcity of natural resources. A whole variety of semiproletarians and dispossessed remain as a legacy of that situation, surviving at the cost of the difficulties inherent in any revolutionary process, aggravated in our case by two factors: the constant threats of military aggression by the imperialists and the criminal blockage with which they attempted to destroy us economically.

Those elements, that is, the enemy's ideological agents, masquerading at times as religious figures or as intellectuals, primarily use the method of rumor to spread false and generally alarming news. At the same time, they carry out quiet little ongoing campaigns against all revolutionary measures, especially those involving issues related to the supply of goods. They choose as their audience

*The explanation of the essence of the general law of capital formation makes it possible to understand the antagonistic nature of this formation. On the one hand, it leads to an increase in the wealth held by capitalists, and, on the other, to the worsening of the situation of the laboring class and other working sectors.

those who are likely to repeat like parrots what they hear, for they are too lazy to read a revolutionary newspaper or magazine, or, because of their cultural limitations, which they have not tried to overcome, they lack the insight to distinguish between the truth and lies. Let us take into account that lies can be adorned with numerous details that make them more attractive, whereas the truth cannot be altered.

To counteract this direct action of imperialist ideology, it is necessary to carry out constant agitation among the masses. It is not enough, though, to want to do it. It is necessary to know some basic points to avoid errors in this important work. In the first place, it must be systematic; that is, at each meeting, in any activity, it is necessary to give the revolutionary message, taking into account the specific situation in which the country finds itself. Second, it is necessary to adapt the presentation of revolutionary ideas being given to the context in which we find ourselves: In a commemorative or reverential activity, the tone must be suitable and different from that used in a festive gathering or a cultural/recreational ceremony. Third, we cannot overlook the characteristics of the person or persons listening to us; that is, their age, cultural level, temperament, political development, and so forth. We should approach young people on the basis of their inexperience and uncertainty, their optimism and strong need to learn. Women, especially housewives, who daily face a number of domestic problems, must be given special treatment. In short, we must not forget that the best content can be misinterpreted because of the use of an inappropriate form.

Finally, who is responsible for carrying out this job of agitation? All revolutionaries can do it, but each one in the field where he is best prepared, remembering that each day it is necessary to study, read the press, increase our knowledge with guidance from our leaders and especially from Fidel's extraordinary teachings.

Agitation correctly performed shall contribute to the development of new ideas and attitudes consistent with socialism, while also serving to demolish capitalist concepts, new and old, obvious and hidden. In this way, the enemy is also defeated in the ideological struggle.

9085

CSO: 3010/1547

'RADIO HAVANA' ON INTENSIFICATION OF CIA ACTIONS

PA212235 Havana International Service in Spanish 0000 GMT 21 Jul 81

["World Events" Commentary]

[Excerpts] The current U.S. Government has given a green light to the Central Intelligence Agency, CIA, to intensify its activities throughout the world.

The current capture of five Cuban-born counterrevolutionaries who infiltrated Cuba through the coast of Matanzas Province to assassinate President Fidel Castro confirms that the CIA continues to use all possible means to achieve its objectives.

The U.S. espionage office was created in 1947 almost at the beginning of the so-called cold war, when campaigns of persecution and imprisonment of progressive U.S. citizens were carried out. The history of the crimes it has committed throughout the world is long.

Who isn't aware that today the CIA is using all its resources to try to destabilize the progressive governments of several countries of Africa, Asia and Latin America? Even inside the United States, the CIA has used its criminal resources to support the most reactionary and fascist U.S. sectors. The assassinations of President John Kennedy, his brother, Robert, and black leader Martin Luther King have been described as a result of conspiracies in which the CIA was not uninvolved. These assassinations were not the result of simple actions of individuals, as the U.S. courts ruled.

In an effort to cover up the activities of the organization which were made public by a Senatorial committee in 1978, the CIA reiterated that it would keep secret documents related to the crime in Dallas. Frank Carlucci, the then-second in command of the espionage organization and current defense under secretary, said that the disclosure of certain documents would affect the protection of important sources of the espionage organization.

Despite this reality of CIA's dirty role inside and outside the United States, in April, reforms in the CIA code of conduct introduced by the government abolished a 1978 executive order which limited its actions. The CIA can now carry out its secret and subversive actions inside and outside the United States. The dirty work of the CIA is now considered by the Washington government as a matter of national security.

CSO: 3010/1603

FIDEL CASTRO SCORES UNITED STATES ON SOUTH AFRICAN POLICY

Havana GRANMA WEEKLY REVIEW in English 26 Jun 81 p 1

[Text of message from Fidel Castro to Akporode Clark on the occasion of the International Day of Solidarity with the Struggling Peoples of Southern Africa]

[Text]

● **UNITED NATIONS, June 16 (PL).—** *The head of state and government of Cuba, Fidel Castro, sent a message to Akporode Clark, president of the Special Committee on Apartheid, on the occasion of the International Day of Solidarity with the Struggling Peoples of Southern Africa being commemorated here.*

In his capacity as chairman of the Movement of Non-Aligned Countries, Fidel Castro condemned the United States for the military, economic, political and diplomatic aid to the South African racist regime.

The full text of the message is as follows:

On the occasion of the International Day of Solidarity with the Struggling Peoples of Southern Africa, we express our solidarity and support for our struggling African brothers and sisters, who every day sacrifice their lives in an unequal battle for independence and for fundamental and inalienable rights — rights denied to them under the wicked and inhuman system of apartheid by the racist minority now usurping power in South Africa and Namibia.

The process of decolonization has now reached its final stage. Supported by the world's progressive forces, the national liberation movements are making important headway, and in spite of all the difficulties they face, the day is fast approaching when the last bastions of colonialism and racial oppression in southern Africa will be demolished.

In contemptuous disregard of the decisions of the United Nations, the Organization of African Unity and the Movement of Non-Aligned Countries, the South African Government has refused to withdraw the troops illegally occupying Namibia, upholding the apartheid regime there and thus promoting the exploitation of the Namibian people and the plunder of their natural resources. Led by SWAPO, their sole legitimate representative, and supported by constantly growing solidarity, the Namibian people continue to rebel and struggle against this oppression.

Apartheid violates all the fundamental principles of civilized society. By its very nature it is an irritant, a provocation and a threat to international peace.

In spite of countless efforts made by the United Nations, the Organization of African Unity, the Movement of Non-Aligned Countries and other international organizations on behalf of southern Africa's oppressed peoples, the racist regime in Pretoria is waging a racist war against millions of people, continuing to occupy Namibia illegally and threatening and attacking its neighbors, which are peace-loving sovereign states. It is to blame for the increasingly tense and explosive situation in that part of the African continent.

The Pretoria regime persists in a policy of bloody repression against the black population which forms the overwhelming majority in the country, jailing, torturing and murdering their fighters and applying the harshest measures against the entire people. Even women and children have been killed on the streets and in the prisons.

We all angrily recall the savage slaughter of peaceful demonstrators in Soweto in 1976, the South African regime's repressive answer to the African population's wholehearted rejection of the policy of racial discrimination. We recall, too, the Cassinga massacre, when hundreds of Namibian refugees were murdered in Angolan territory, in violation of that country's territorial integrity and sovereignty.

The policy of apartheid and the illegal occupation of Namibia can only be maintained with the help of certain powers, such as the United States, whose support to apartheid was denounced by the foreign ministers of the members of the Coordinating Bureau of the Non-Aligned Countries at their recent meeting in Algiers.

During the 6th Summit Conference of the Movement of Non-Aligned Countries held in Havana, the heads of state and government paid homage to the heroism displayed by the South African people and their liberation movement, praised the Namibian people and SWAPO for intensifying and carrying forward the armed struggle, and reiterated their conviction that this form of struggle must be given total and active support if the full liberation of Namibia is to be hastened.

We condemn South Africa's continued violation of the principles of international law. Relying on military, economic, political and diplomatic aid from the Government of the United States and its allies, it is committing aggression against Angola, Mozambique and other neighboring countries.

We further condemn all attempts by the imperialists and South Africa to uphold the legal status of the puppet regime set up in Namibia, with which they are trying to silence the world's demand for the independence of Namibia and to make its people lay down their weapons.

Once again we show our solidarity with the Namibian and South African peoples and with all other peoples struggling to obtain their legitimate rights. We condemn the economic activities and interests of the imperialist and colonialist powers in southern Africa, which prop up the racist South African minority regime in order to safeguard their own economic and strategic interests.

Finally, we wish to make it clear that we will never forget those who have fallen in defense of the most basic human rights, those who have dedicated their lives to struggle for the equality of all, social justice and world peace.

Fidel Castro Ruz
President of the Council of
State and of the Government

U.S. DICTATED RESULTS OF OTTAWA SUMMIT

PA251905 Havana International Service in Spanish 0000 GMT 25 Jul 81

["World Events" Commentary]

[Text] The results of the meeting that the world's seven most industrialized capitalist countries held in Ottawa did not surprise anyone. Long before the opening of the so-called capitalist summit, which was held on 20 and 21 July in the Canadian capital, it was a known fact that although there might be certain differences between the United States and some of its allies, the results of the meeting would be defined by Washington's policy.

This is why the final declaration signed by Great Britain, France, the FRG, Canada, Italy, Japan and the U.S. representative mentions exclusively those matters that concern the defense of their powerful economic and political interests.

A few days before the opening of the Ottawa summit, the U.S. press declared, on the basis of State Department sources, that efforts must be made to keep the differences among the allies from being publicly discussed and President Ronald Reagan's first appearance in the international arena from turning into a failure.

Canadian Prime Minister Pierre-Elliot Trudeau confirmed this shortly afterward, when he said at a news conference that not too many specific things should be expected from the meeting.

After 2 days of work at the capitalist summit meeting following a number of important and decisive meetings previously held by Reagan with French Chief of State Francois Mitterrand and with FRG Chancellor Helmut Schmidt, the final document was released.

In the first place, the document admits that the current policy of fighting inflation by means of the high interest rates implemented by the United States will continue for some time. In other words, Washington imposed its monetary policy even though this means making the other nations' stabilization measures more difficult while influencing both their exchange rates and their economies.

Neither did the Ottawa meeting offer any hope of a change in the discriminatory conditions that characterize the current international economic order. Proof of this is the fact that the seven allies conditioned possible aid to developing nations mostly to reinforcement of the capitalist powers' economies and to the

elimination of obstacles to investment capital. As can be imagined, all this implies the intensification of economic, political and military pressures against the so-called Third World.

With the capitalist summit meeting's political declaration, the United States also obtained support from the other participants for the anti-Sovietism that characterizes its current policy. Once again it was shown that Washington maintains its opposition to detente and support of the arms race. To this end, it has created and holds in reserve the false idea of a Soviet threat.

In spite of the fact that both France and Great Britain asked that Israeli attacks against the Arab countries be condemned, only once was it mentioned that the military escalation and the constant violence in the Middle East are deplored. The adoption of such positions will not curb Tel Aviv's expansionist fury, which is encouraged by Washington.

Everyone is familiar with the concern of some of the U.S. associates over U.S. policy in both the Middle East and Africa, its negative attitude regarding the negotiations on disarmament and the obstacles it raises to the solution of the problem in Namibia. Nonetheless, the final document of the Ottawa meeting does not mention this variety of views. On the contrary, all the participants endorsed Washington's recalcitrant position, thus helping prolong and worsen the already serious problems of the capitalist society, further intensifying international tensions and making the people's efforts to obtain justice more prolonged and painful.

CSO: 3010/1603

TURBAY ACCUSED OF PANDERING TO U.S. INTERESTS

PA290350 Havana International Service in Spanish 2310 GMT 28 Jul 81

["Our America" Commentary]

[Excerpts] The Nicaraguan Government has vigorously rejected the slanderous accusations which Colombian President Julio Cesar Turbay Ayala made on 20 July against this Central American country.

The protest is contained in a note which Nicaraguan Foreign Minister Miguel d'Escoto sent to Carlos Lemos Simmonds, his Colombian colleague.

Opening the regular sessions of the Colombian Parliament, President Turbay Ayala said that in the new Nicaragua, there is neither less poverty than in the past nor greater respect for human rights than during the Somoza tyranny. In addition, he accused the leaders of the Sandinist revolution of encouraging imperialist passions.

In his note rejecting these absurd accusations, the Nicaraguan foreign minister says it is unbelievable that Turbay Ayala has made the serious mistake of criticizing the Nicaraguan Government in a field in which, according to published reports, is one of Colombian domestic policy's weakest areas.

It is highly significant that Julio Cesar Turbay Ayala has launched these charges against the new Nicaragua at a moment when the aggressions and threats of the U.S. imperialists against the Sandinist revolution are increasing.

Of course, nobody is astonished because once again, Turbay Ayala takes up a reactionary and proimperialist stance in this case. The person who today occupies Colombia's top position has always done this. However, one would have expected that Turbay Ayala might have been more moderate, more intelligent, in discussing issues for which his government has been criticized, especially by the Colombian people themselves.

It is obvious that the Colombian chief of state, besieged by a domestic economic and social situation that daily provokes more popular protests, has been able to find no other solution to his problems than to openly join the aggressive policy of the Washington government.

We must recall that as soon as the U.S. Government stepped up its campaign against Cuba, Turbaya Ayala severed diplomatic relations with our country. And now, when the imperialist campaign against Nicaragua becomes more intense, the Colombian president attacks the Sandinist revolution.

It is known that the Washington government has offered President Turbay Ayala several loans in an attempt to redress Colombia's dire economy. The Washington government has also offered support for the Bogota government's claim to the Caribbean islands and cays which United States snatched from Nicaragua half a century ago and later ceded to Colombia.

It is also known that the United States conditioned the fulfillment of these promises with Colombia's severing of relations with Cuba and its support for anti-Nicaraguan postures.

By satisfying these U.S. demands, Julio Cesar Turbay Ayala draws close to the most aggressive positions of the imperialists but therefore draws farther from the interests of the people of Colombia and of all the peoples of our America.

CSO: 3010/1603

UNITED STATES SEEN OPPOSING UN, UNESCO AIMS

Havana GRANMA WEEKLY REVIEW in English 21 Jun 81 p 7

[Article by Luis M. Arce]

[Text]



THE UNITED States has taken action against the UN and UNESCO in an effort to reduce them to mere appendages of its foreign policy, while at the same time proclaiming support for the Organization of American States (OAS), its "ministry of colonies." Vice-President George Bush has strongly attacked the UN and UNESCO and even threatened them with a loss of funds and other punitive measures.

An unidentified State Department spokesman quoted by the New York Times said the United States would use a carrot-and-stick policy in those institutions, based on how the governments represented there voted on issues of interest to the United States.

Such gall is unprecedented, but anything can be expected from the Yankees. And the diplomatic brutality of the United States has very concrete objectives.

This year the UN General Assembly will initiate the round of global negotiations for the establishment of the New International Economic Order. Matters of great concern for humanity will be discussed, such as energy, trade, finance, export of raw materials and, in general, everything that hampers the economic development of Third World nations.

With this in mind, the United States is opposed to a strong UN which would be capable of forcing the imperialist powers to yield to the demands of the underdeveloped countries. Nor do they want an organization like UNESCO which sponsors campaigns to end illiteracy in Third World nations and opposes the news and information monopoly held by a small group of imperialist corporations.

At its latest meeting in Belgrade, UNESCO voiced the need for a New International Information Order and as a result Vice-President Bush accused the organization of calling for "international censorship."

But while Bush makes attacks on the UN and UNESCO, he says his government will support and strengthen the OAS.

Of course, the OAS has always been a ministry of colonies of the United States and now the Reagan administration requires its services to implement a so-called Marshall Plan for Central America and the Caribbean. This plan would serve as a cover for U.S. political, military and economic backing for bloodthirsty regimes such as those in El Salvador, and Guatemala and intensified attacks on Cuba, Nicaragua and Grenada, the national liberation movements and the struggle of other patriotic and progressive forces in the region.

Given the pressing nature of the economic and political problems in the Third World, it is laughable that the United States should be involved in "development" programs like the Marshall Plan. The result of that plan, implemented in Europe after World War II, was a big increase in the export of U.S. capital and the extension of the U.S. sphere of influence.

The fact of the matter is that the Reagan administration, in opposition to the Movement of Non-Aligned Countries, is trying to take the global negotiations out of the UN in order to cause them to fail and prevent the establishment of the New International Economic Order. This failure would help the United States maintain its neocolonial system of economic exploitation and political domination.

The attacks on the UN and UNESCO; the proposed Marshall Plan for Central America and the Caribbean; the abortive attempts to set up a reactionary organization similar to NATO in the South Atlantic and another grouping of this sort in the Pacific; the attacks on the Soviet Union, Cuba, Nicaragua, Vietnam, Kampuchea, Angola, Afghanistan, Ethiopia, Grenada and other countries are all part of the same game, a very dangerous game through which the United States seeks absolute world hegemony, a goal not in keeping with this day and age.

CSO: 3020/128

NICARAGUAN AGRARIAN REFORM HELPS PEASANTS

PA032243 Havana International Service in Spanish 0000 GMT 2 Aug 81

["Our America" Commentary]

[Text] For more than four decades the Somozist dynasty controlled important Nicaraguan economic sectors, including 30 percent of the arable land in the country. Hunger, misery, illiteracy and poor health became worse during this time. After the victory of the revolution on 19 July 1979, the Latifundiums which belonged to Somoza and his henchmen were immediately confiscated. A total of more than 900,000 hectares of land were recovered in this fashion.

However, this land could not be turned over by the Nicaraguan state to the peasants because it was being used and contained large agroindustrial installations which made the subdivision of the land absurd. According to the national government of reconstruction's program, other Latifundists were not affected but were urged to increase production for the benefit of the country's economy in order to feed the people.

At the same time, and to prevent the exploitation of the peasants, price ceilings were set for land rentals. However, the generosity of the revolution clashed with the unpatriotic attitude of many Latifundists who refused to rent their land to peasants who were anxious to till it and left the land unused or simply went abroad and abandoned it.

Therefore, 2 years after the revolutionary victory, a little more than 1 percent of the landowners of Nicaragua were holding 47 percent of the country's arable land while 60 out of every 100 small landowners held only 5 percent of the arable land. It so happened that 100,000 peasants had no land at a time when 1.2 million hectares owned by the Latifundists were left untilled.

As a result, the peasants demanded a radical transformation of this unbearable reality in a country in which its revolutionary leaders are trying to eliminate the exploitation and misery inherited from the Somozist past. This is what the peasants were demanding, not only for their individual interests, but for the welfare of all of society which must increase agricultural production which generates the principal export products, such as coffee, meat and cotton.

These demands were met this past 19 July, the day of national liberation, when at a rally held on the second anniversary of the victory over Somozism, Commander Daniel Ortega, coordinator of the government junta, made public the proposed agrarian reform project, which was immediately brought to the Council of State and approved on 24 July.

The law will be applied against land left untilled or abandoned by their owners as well as by those persons who left the country after the revolutionary victory and did not return. The beneficiaries will be the colonizers, tenant farmers and other intermediaries, the peasants without land, the cooperative and agrarian reform enterprises, the producers who know how to till it, fighters of the liberation war and relatives of martyrs who want to farm.

We cannot live in peace, said Nicaraguan Agrarian Reform Minister Jaime Wheelock, as long as there is misery in the country because if misery is terrible anywhere, it is terrible in the rural areas. With the agrarian reform law which was approved, Nicaragua seeks principally to abolish exploitation and misery of the large peasant majority and to answer the peasants' most legitimate historic aspiration, the right to own land.

CSO: 3010/1603

DEVELOPMENT OF U.S. NEUTRON BOMB SCORED

Havana GRANMA WEEKLY REVIEW in English 21 Jun 81 p 7

[Article by Oscar Ferrer: "The Neutron Bomb: Capitalistic Logic--Property, Not People"]

[Text]



HIGH-LEVEL POLITICAL and military decisions in the United States tend more often than not to ignore world public opinion. With willful disregard of the aspirations of humanity, Washington adopts antipopular and unreasonable measures that not only seriously threaten international peace and détente, but also lessen the possibility of making headway towards disarmament and give new impetus to the arms race instead of bringing it to a halt.

The U.S. Department of Energy has just announced in Washington that it has begun manufacturing components for the neutron bomb. Many millions of dollars in resources have been allocated to building this bomb, an ideal capitalist weapon, since it destroys human life but, by using radiation instead of explosive force to kill people, leaves intact all factories, buildings and other facilities within its radius of impact.

According to the announcement from the Department of Energy, production of a new nuclear warhead for the Lance missile has just begun. It added that production of a new nuclear artillery missile capable of carrying a neutron warhead will start in July.

The measure was taken in spite of the fact that the mere suggestion that this terrible weapon may eventually be produced has on several occasions prompted huge protest demonstrations against the United States in countries all over the world.

It was in April 1978 that President Carter, under pressure from an avalanche of protest against the United States from all over the globe, was compelled to announce that his country had postponed production of the neutron bomb "indefinitely," reversing his earlier announcement — that the bomb would be produced — in view of the wrath of all peace-loving peoples.

Later, in October 1978, in flagrant disregard of the April decision, he ordered production of a new generation of nuclear warheads capable of carrying neutron bombs, gave instructions to modernize the Lance missile system and signed a law authorizing funds for producing the basic components of the neutron bomb.

This new move also met with international repudiation and some Western European countries refused to become launching pads for these weapons — another setback for the White House and the Pentagon.

But as soon as the new U.S. administration was inaugurated, Pentagon chief Casper Weinberger baldly declared that he favored stationing the neutron bomb in Europe. This prompted more protests and criticism of the U.S. Government for endangering peace and spurring on the arms race.

Unquestionably, Washington's new decision to give the green light to the neutron bomb will again be justly and strongly condemned by the International community and by the people of the United States themselves, who are the ones that will have to pay for producing this weapon with the deductions from the social welfare budget.

It is time the U.S. Government realized that the whole of humanity is against the neutron bomb.

U.S. WORKER EXPLOITATION, MONOPOLIES' ROLE EXAMINED

Havana CON LA GUARDIA EN ALTO Feb 81 pp 14-15

[Article by Silvio Jova]

[Text] Recently, while riding in a bus, I heard the following fragment of a conversation between two adult citizens the subject of which is obvious:

"Have you heard anything about your uncle?"

"Sure, man. The other day he sent a letter to his sister, another aunt of mine."

"How's he doing?"

"He seems to be fine. He says that he has a job now and earns twelve dollars a day."

"Twelve dollars a day! Well, it's true that the person who has a job never has problems."

That was all I heard, but the last remark was more than enough to realize how much confusion there was in that mind. Actually, anyone who analyzes the situation in the United States and the other capitalist countries becomes convinced of the amount of ingenuousness or of evil intent underlying the expression "has no problems" when speaking of a worker in such a system.

When the exploitation of man by man arose in servitude several millenia ago, there began a process in which those who were owners of the basic means of production expropriated a part of the labor of the masses for their own private benefit. The different forms of servitude evolved: From it feudalism arose, and from that, oozing mud and blood, the bourgeois system. Throughout this development, a minority of society exploited the great masses of workers.

Capitalism itself was transformed. Its exploitive essence remained the same and continued to be based on the appropriation of surplus value by the bourgeois class, which was united with other exploitive classes and groups left over from feudalism and even servitude. At the end of the last century, though, the process of "free" competition and the appearance of certain productive sectors that required enormous investments gave rise, through the concentration and centralization of capital, to monopolies. These were enormous manufacturing, commercial,

banking, service, etc., enterprises of gigantic size and financial resources by means of which they could acquire a huge profit and have a decisive influence on /all/ [in boldface] spheres of social life. That is the imperialist phase.

We stress /all/ [in boldface] because the monopolies, owing to their power, encompass whatever physical and spiritual activity takes place in society. Even the labor organizations--the antithesis of capitalism--have been penetrated, sabotaged, and hampered in a thousand more or less crude or subtle ways.

Under state monopoly capitalism, the present form of imperialism, this control over all of society reached inconceivable levels some years ago, serving only as subject-matter for science fiction. In the large capitalist countries, private life is an illusion for hundreds of millions of people.

Let us look at an outline of the present mechanism with which the monopolies squeeze the workers (and squeeze not in a figurative, but rather a real, sense). It is appropriate to note, first of all, that the term "workers" includes various social sectors and classes. They are all those who live by their own personal labor. First is the proletariat, dispossessed of the means of production and therefore forced to rent or sell its labor to achieve subsistence for itself and its families. Poor and medium-size farmers, clerks, artesans, etc., are also workers. Now, today there is progressive proletarianization of all manual workers or intellectuals. All the exploited sectors and classes are assuming very similar characteristics, and their particular and common interests are merging. This socialization of production makes clearer a structure in which an increasingly small dominant group exploits an immensely greater mass of the people.

Because of the above, let us first analyze the "classic" mechanism of capitalist exploitation; that is, the acquisition of surplus value and the methods of making it grow continuously. The productivity of laborers in the developed capitalist countries is high. This enables the wage-earning worker to produce value equal to his wages within an increasingly small part of his working day; he spends the rest of it on creation of value to be divided by the financial oligarchy among it and its allies and agents.

As if that were not enough, technical development under capitalism leads to the constant pushing into the street of tens of thousands of laborers, with which a growing reserve of labor is created, which causes a decline in the wages of those who have the "good luck" to be employed. In the 24 most highly developed capitalist countries, there are around 20 million unemployed. In the United States, for example, there are approximately 8 million acknowledged unemployed; but there are many more partially employed. Those 8 million constitute 7.6 percent of the working-age population. In the underdeveloped capitalist countries, as a rule, the percentages of unemployed are two-digit figures. It should be recalled that in Cuba at the time of the triumph of the Revolution, it was around 20 percent.

But what happens to the wages of those who have the uncertain luck to keep their job? -- and with all this we are responding to the dialogue with which we opened this piece -- For one thing, they suffer the effects of a runaway inflation characterized by an annual increase in prices, which reduces the buying

power of the money held by the workers. In the eight most highly industrialized countries in the capitalist sphere, this inflation stood between 10 and 20 percent in 1979.

An essential element for analysis of the exploitation of workers under monopolistic conditions is the policy that the monopoly firms can adopt -- because of their total control over the country's economy -- of "Take it or leave it." That is, they impose totally artificial prices, buying cheap and selling dear, creating artificial scarcity of a product, etc. By this method they also wipe out the small and medium-size businessmen through manipulation of various resources intended to force them into bankruptcy and shift them toward the proletarian or semiproletarian sectors.

Shall we continue? Next come taxes. One item serves as an example: 20.7 billion dollars have to come out of the pockets of taxpayers in Canada. In the United States, the worker's monetary contributions to the bourgeois state for the maintenance and strengthening of the system are much greater in the form of taxes of all types: municipal, state, federal, and so forth. And what are those taxes used for? Primarily to nourish the monopolies, especially those in the military-industrial complex, by means of an increase in expenditures for the arms race.

However, the exploitive mechanism does not end here. A daily, crushing bombardment by radio, press, television and other media drives the workers to use their money on tempting offers of luxury goods and products of questionable quality with an unending proposition: "If you don't consume such-and-such an article, you can't be considered a reliable, modern, praiseworthy, etc., man or woman." One case is that of the violence promoted by programs and publications full of crimes of all types whereby one solution is offered: the purchase of weapons for defense from the wave of murders, rapes, and attacks incited by the same people who sell the arms.

Of course, we cannot forget that those who belong to the sectors of the population that suffer discrimination because of their color, sex, or nationality experience twice the exploitation, with lower wages, greater unemployment, fewer opportunities to advance, and a guaranteed portion of scorn. In the United States, unemployment among blacks is over twice that of whites (14.2 percent as against 6.7 percent in October 1980).

In concluding, we will touch on other issues that still do not exhaust this subject. The first is that of the situation of the countries that depend on the imperialists. Their unfavorable position makes them victims where the monopolies can unload crises; and, as is evident, those who suffer the consequences in those countries are the workers.

Second, exploitation is not only a limiting to the minimum for survival, with little food and housing, health, and education problems. It is also the spiritual suffocation that keeps hundreds of millions of people forced to live in ignorance and unenlightenment, without access to the cultural treasures accumulated by generations of workers, and the moral swamp of prostitution, vice, and corruption that constitutes bourgeois society.

We can add, moreover, the extremes reached by the exploitation. The criminal repression of malcontents and dangerous people, with thousands of murders, torture, and daily disappearances; and, along with it, the slow death from hunger and incurable diseases of millions of men, women, and children.

Yet, as Lenin said in 1920: "Imperialism is the anteroom of the social revolution by the proletariat. This has been confirmed on a worldwide scale in 1917."*

*V. I. Lenin, "Selected Works," in three volumes, Vol 1, Editorial Progreso, 1979, p 688.

CUBA CONDEMNS RECENT ISRAELI AGGRESSIONS IN LEBANON

FL211510 Havana Domestic Service in Spanish 1400 GMT 21 Jul 81

[Text of undated communique released by the Cuban Foreign Relations Ministry]

[Text] The actions of the Tel Aviv government are once again stirring up world opinion, but this time the events are particularly alarming because of the criminal nature of the attacks which have taken place a few days ago against the Lebanese civilian population claiming hundreds of killed and wounded victims among the citizens. Making these events still more serious, spokesmen of the Zionist government have proclaimed with an incredible callousness the intention of continuing the indiscriminate attacks on civilian Lebanese objectives.

These latest Israeli aggressions, as well as the one recently carried out against the Iraqi nuclear plant, are obviously part of a sinister plan, duly coordinated with U.S. imperialism, with no less a purpose than the physical elimination of the Palestinian people and the intimidation of the Arab peoples with the aim of imposing by force the policy outlined in the Camp David agreements and the separate Egyptian-Israeli agreement.

In view of this serious situation, Cuba together with the other members of the nonaligned countries' movement states in the strongest terms its condemnation of this expansionist, aggressive and criminal policy on the part of the Zionist government and its imperialist backers.

In compliance with government instructions, the Ministry of Foreign Relations is holding consultations with the most directly affected parties in order to promote with the nonaligned countries' movement practical measures which will contribute to putting an end to these repeated Zionist aggressions and compel the Israeli Government to respect the most elemental norms of international law.

CSO: 3010/1603

BRIEFS

ETHIOPIA'S MENGISTU RECEIVED--In Addis Ababa, Socialist Ethiopia's President Mengistu Haile Mariam and Hector Rodriguez Llompart, minister-president of the State Committee for Economic Cooperation, have held cordial talks. Llompart heads Cuba's delegation to the third meeting of the joint commission for economic, scientific and technical cooperation. The top Ethiopian leader hailed the fruitful results of cooperation between the two nations and the support that Cuban internationalist combatants gave to the Ethiopian revolution when it was treacherously attacked from abroad. Likewise, Mengistu Haile Mariam noted the importance of Cuban cooperation in various sectors of the Ethiopian national economy, mainly in agriculture. Rodriguez Llompart conveyed to the chief of the Ethiopian revolution warm greetings from Commander in Chief Fidel Castro, and said that his mission's objective is to strengthen still more relations between the two countries. [Text] [F1031037 Havana Domestic Service in Spanish 1000 GMT 3 Jul 81]

HAIG'S STATEMENTS REPORTED--Yankee Secretary of State Alexander Haig has expressed his support for intensifying the brutal and criminal U.S. economic and trade blockade against Cuba, which was established 2 decades ago. In statements before the U.S. Senate Finance Committee, Haig said he favors the intensification of what he called restrictions against Cuba, rather than alleviating them in the present situation, according to a report carried by the AP news agency. AP says that Haig made the comment the following day after Cuban President Fidel Castro had denounced in a speech the possibility that behind some epidemics in Cuba could be a U.S. biological warfare. [Text] [F1291421 Havana Domestic Service in Spanish 1045 GMT 29 Jul 81]

U.S. NAVAL MANEUVERS--The United States has begun in the Atlantic Ocean the biggest military maneuvers it has carried out since last World War II. The maneuvers bear the code name Ocean Venture 81 and are designed to perfect all aspects of sea warfare. Two hundred fifty ships, more than 1,000 aircraft and 120,000 military personnel will take part. The exercise is to be carried out in six stages beginning in mid-July until mid-September. It will take place simultaneously in the northern and southern Atlantic Ocean, the Caribbean basin and the Norwegian and Baltic seas near the Soviet border. The Pentagon and the allies of the United States intend with this exercise to intimidate Latin American countries, overrule European protests against the deployment of U.S. medium-range nuclear missiles, try to impress the socialist community and further aggravate international tension. [Text] [F1231136 Havana Domestic Service in Spanish 1045 GMT 23 Jul 81]

AGUILERA CONSTRUCTION SITES VISITS--Julio Camacho Aguilera, member of the PCC Politburo and first party secretary in Havana City, has toured the capital's El Presidente and Plaza hotels which are undergoing repairs. The party leader expressed interest in the progress of repairs and restoration and difficulties being confronted in the supply of materials and manpower. In the case of El Presidente Hotel, he indicated the need for including it among projects that have been assigned priority. Investments in that hotel amount to more than 1 million pesos, and the architectural project calls for restoring it to its original appearance as well as the installation of a central air conditioning system, the addition of 18 rooms in eight floors, an arts and crafts store, a nightclub, a cafeteria, a bar and a swimming pool. [Text] [FL082223 Havana Domestic Service in Spanish 2130 GMT 8 Jul 81]

FMC CADRES COURSE--Antonio Perez Herrero, alternate member of the Politburo, has presided over the seventh graduation of the Federation of Cuban Women [FMC] Fe del Valle Dacres School in Havana. The graduating class consisted of 96 students from Cuba and 20 other countries in Asia, Latin America and the Caribbean. Dora Carcano, member of the Central Committee and secretary general of the FMC, made the closing remarks and highlighted the highly satisfactory results of the current political-ideological improvement course which concluded within the framework of the celebrations of the 28th anniversary of the attack on the Moncada Garrison. [FL071649 Havana Domestic Service in Spanish 1100 GMT 7 Jul 81]

EJT HONORED--Army Gen Raul Castro, second secretary of the PCC Central Committee and minister of the Revolutionary Armed Forces [FAR], has sent a congratulatory message to the Youth Labor Army [EJT] for its outstanding work in the 1980-81 sugar harvest. The message said that the effort of the EJT along with all other forces involved in the harvest was a decisive factor in the successful completion of the task. It adds that an additional 7 million arrobas of sugarcane were manually cut this year and that productivity per canecutter was 25 arrobas over that of the previous harvest. The number of groups having cut 1 million arrobas or more of sugarcane rose by 25. Army General Castro makes special note that all this was achieved in a shorter amount of time. [FL211627 Havana Domestic Service in Spanish 1045 GMT 21 Jul 81]

RODRIGUEZ, HART AT SHOW--Politburo members Carlos Rafael Rodriguez and Armando Hart attended a show last night organized by Greek composer Mikis Theodorakis at Havana's Karl Marx theater. The first part of the show was devoted to pop and folk songs. The second part features the oratorio "Canto General" with words by Pablo Neruda. The oratorio was included in the show as a special request from Commander in Chief Fidel Castro. "Canto General" will be performed in other countries of Latin America as a cultural offensive in favor of peace. Last night's performance was dedicated to the fighters of El Salvador. [Havana Domestic Service in Spanish 1000 GMT 25 Jul 81 FL]

MARTYRS DAY CELEBRATION--The day of the Martyrs of the Revolution, 30 July, was celebrated in Santiago, Cuba, with the placing of wreaths and a ceremony at Callejon del Muro, where Frank Pais, top organizer of the 26 July Movement in Santiago, was killed in the struggle against then President Fulgencio Batista. Main speaker at the event was Isabel Tamayo Rios, a member of the PCC Politburo in

the municipality of Santiago, who highlighted Pais' revolutionary history. Subsequently, the hundreds of people attending went to the martyr's square, where they observed 1 minute of silence in honor of Frank Pais and others who were killed in the struggle against Batista. [FL302036 Havana Domestic Service in Spanish 1700 GMT 30 Jul 81]

CUBAN-SOUTH YEMEN TALKS--In Aden, the Cuban-Yemeni intergovernmental cooperation committee today concluded its work with the signing of a protocol on various spheres of the economy and social development. [Text] [FL041748 Havana Domestic Television Service in Spanish 1700 GMT 4 Jul 81]

CAMAGUEY SCHOOL--Enrollment at the Jose Marti Higher Pedagogical Institute in Camaguey, the capital of the province of the same name, has increased this year to 5383 students. The city has a population of 243 603 and the province of 665 406. Camaguey is 570 kilometers east of Havana. A total of 257 of the 280 members of the faculty are doing research, as are 948 students. Students entering the Institute after having finished the 12th grade, working toward a degree in education. The students who will contribute to the upbringing of present and future generations of communists as well as aid to other sister nations, can choose from 22 careers offered by the four departments of the Institute. At next graduation in July, more than 1000 students will get their degrees, making a total of nearly 3000 graduates of the Institute. This is a worthy tribute to the 26th of July, the anniversary of the attack on the Moncada Garrison. Work on the Jose Marti Institute will soon be completed. When finished, the Institute will have cost some 7 943 000 pesos, of which some 4 000 000 pesos' worth of work has already been completed. [By Ariel Garcia Suarez] [Excerpts] [Havana GRANMA WEEKLY REVIEW in English 28 Jun 81 p 3]

CSO: 3020/128

EGP COMMUNIQUE NOTES OPENING OF NEW WAR FRONT

PA280240 Havana International Service in Spanish 2310 GMT 27 Jul 81

["Our America" commentary]

[Text] A few days ago, the Guatemala's Poor People's Guerrilla Army [EGP] issued a communique in which it reports on the opening of a new war front, which encompasses Baja Verapaz Department and parts of Chimaltenango, Quiche and Sacatepequez departments in the north and west of Guatemala.

Under the name of Augusto Cesar Sandino, it adds, the new guerrilla front operates in an area of approximately 7,000 square km in the mountainous region of the Sierra Madre, where some 400,000 Indians live in poverty.

The EGP also reported that in its first political-military actions, the soldiers of the new guerrilla front have caused numerous casualties to the army and have carried out dozens of revolutionary propaganda operations, executions of henchmen and attacks on military posts of the dictatorship.

After recalling that the Augusto Cesar Sandino front is the sixth created by the EGP, the organization stressed that this is proof of the strength and determination of the Guatemalan people to overthrow the genocidal military clique that is misruling the nation and to install a revolutionary, popular and democratic government that responds to the true desires for liberty of the great alienated masses of workers and peasants.

Further on, the EGP charges that the U.S. Government is openly interfering in Guatemala, whose despotic regime is upheld thanks to the plentiful military, political and economic aid of the United States.

In this regard, the rebel group states that its main armed actions are aimed at enterprises or individuals who are actively backing the genocidal regime of Gen Romeo Lucas Garcia and that practice has proven that in addition to despoiling the nation's natural wealth, the American companies act in complicity with the reactionary forces that usurp power in Guatemala and follow closely the aggressive and interfering policy Washington maintains in this and other Central American countries.

It underscores that early in July guerrilla commandos carried out armed attacks against the U.S. Eastern Airlines Company and the U.S. Chamber of Commerce.

To this effect, the EGP calls on the U.S. companies operating in Guatemala not to join the futile efforts of the regime to conceal the massacres being committed against the people and to misinform world public opinion regarding the true situation of this small Central American country.

As the armed struggle spreads each day with greater intensity across Guatemala, new charges of the dictatorship's corruption and inability come to light. One charge that was made did not exactly come from the progressive forces of that country and it involved the charge that the generals who are ruling Guatemala are guilty of conspiracy, inability, corruption and fraud. This charge was made by five high-ranking Guatemalan military chiefs who asked not to be identified in statements to the Mexican newspaper UNO MAS UNO. They accused Romeo Lucas Garcia, the leader of the regime, of being involved in shady business in the purchase of arms to seize, along with other generals, hundreds of millions of dollars. The generals, they added, have stolen more than \$250 million, with which they have become very wealthy while we die in battles against the guerrillas.

That is why, in order to put an end to genocide and corruption, the revolutionary forces of Guatemala are increasing their action, convinced that the people will achieve true liberty and independence only through an armed struggle.

CSO: 3010/1607

CANCUN PREPARATORY MEETING

Foreign Ministers Arrive

FL302259 Mexico City NOTIMEX in Spanish 2230 GMT 30 Jul 81

[Text] Mexico City, 30 Jul (NOTIMEX)--The foreign ministers who will take part in a meeting to prepare for the summit on cooperation and development scheduled for October in Cancun, began arriving today in this capital. The foreign ministers of the FRG, Hans-Dietrich (Genscher), the PRC, Huang Hua, the Philippines, Carlos P. Romulo, and the Ivory Coast, Simeon Ake, arrived today.

All is in readiness for this preparatory meeting in which 22 [as received] foreign ministers will take part. They are the foreign ministers of Algeria, Australia, Bangladesh, Brazil, Canada, China, France, the FRG, Guyana, India, Ivory Coast, Japan, Mexico, Nigeria, Philippines, Saudi Arabia, Sweden, Tanzania, United Kingdom, United States of America, Soviet Union, Venezuela and Yugoslavia.

Tight security measures are in effect around the convention center and the hotels where the ministers are staying. Approximately 600 newsmen from all over the world are accredited to cover this meeting on which world attention is focused. There is a press room with some 50 telephones and 60 telex machines through which news reports may be filed to all points of the world.

Mitterrand To Visit Mexico in October

PA311611 Paris AFP in Spanish 1601 GMT 31 Jul 81

[Text] Mexico City, 31 Jul (AFP)--French President Francois Mitterrand will pay an official visit to Mexico from 19 to 21 October, prior to the opening of the North-South Summit of Cancun, it was announced today. Mexican Foreign Secretary Jorge Castaneda made the announcement following the 1-hour meeting Mexican President Jose Lopez Portillo held with French Foreign Minister Claude Cheysson.

Ministers' Agenda Ready for Cancun Talks

FL311527 Bridgetown CANA in English 1315 GMT 31 Jul 81

[Text] Cancun, Mexico 31 Jul (CANA-REUTER)--Foreign ministers from 22 countries meet in this Mexican Caribbean resort tomorrow to prepare for an ambitious summit conference on bridging the gap between the rich and poor nations.

The ministers who represent countries as diverse as the United States, Tanzania and China will be drawing up a framework for the "North-South" summit first proposed 17 months ago by an international commission chaired by former West German Chancellor Willy Brandt.

The Cancun meeting follows hectic activity behind the scenes over the past year while countries which favoured the summit worked to persuade more reluctant ones that such a conference could lead to action rather than just resolutions.

Provided the ministers smooth out the potential procedural sticking points, the leaders of the 22 nations will hold their summit in this lush new resort town in October.

The Mexican organizers said they wanted the Cancun summit to be informal enough to let the leaders get to grips with the problems free from the constraints of set speeches.

The Brandt Commission, whose recommendations will form the main terms of reference for the summit, urged global discussions on the transfer of economic resources to poor countries, international energy and food plans and reform of the world's economic and monetary systems.

Summing up the widening gulf between the wealthy "North" and poor "South," the Brandt report said beginning the search for solutions was "not an act of benevolence but a condition of mutual survival."

Few of the leaders appear to disagree with the commission's conclusion that profound changes are needed, but they differ on what methods should be used to redress the world's economic imbalance.

Some, such as U.S. President Ronald Reagan, would prefer to tackle the problem by stepping up bilateral cooperation and investment by private industry.

Others, particularly in the Third World, want the creation of a new and more just economic order through global negotiations.

Mexican President Jose Lopez Portillo, who has worked to establish Mexico as a major voice in the developing world, said recently, "Developing countries do not merely require aid, but a new world order."

The views of developing countries which generally welcomed the Brandt report find strong support among richer nations like France, Canada and Austria.

The new socialist administration in France has been particularly outspoken, criticizing the United States for alleged indifference to the problems of the Third World.

Foreign Minister Claude Cheysson who will attend this weekend's meeting, said North-South relations were heading for crisis "if this subject which is a priority for us is only marginal or secondary for the Americans."

The gloomiest prospect of all according to the Brandt report is that this gap in wealth, health and general quality of life is growing wider.

Among the problems to be tackled at this week-end's meeting and the October summit are energy--rich countries accuse developing oil powers of following a strategy which drives up prices and hits hardest at those nations that can least afford increased import bills.

Commodities--about 60 per cent of the world's basic agricultural and mineral commodities come from the Third World, which is demanding more protection against the cyclical nature of market demand which, when prices are low can cripple a producer country.

Some nations are heavily dependent on one product, for example, Zambia (90 per cent of its export revenues from copper), Cuba (80 per cent from sugar) and Gambia (80 per cent from groundnuts).

Trade and finance--developing countries are particularly hard hit by high interest rates currently at record levels in the United States because they encourage local currency flights, increase import bills and discourage investment. Their widespread criticism of Mr Reagan's monetarist policies has the support of most European countries which are also affected.

No joint communique is expected from this week-end's conference which will be held in closed session. The 22 countries attending are: Algeria, Austria, Bangladesh, Brazil, Britain, Canada, China, France, West Germany, Guyana, India, Ivory Coast, Japan, Mexico, Nigeria, Philippines, Saudi Arabia, Sweden, Tanzania, United States, Venezuela and Yugoslavia.

Castaneda Notes Importance of Cancun Meeting

FL011923 Mexico City NOTIMEX in Spanish 1841 GMT 1 Aug 81

[Text] Cancun, Quintana Roo, 1 Aug (NOTIMEX)--In international relations regionalism must have precedence over the forces of chaos and private interests and must be adapted to the world's political and economic life. This was the message sent today by Foreign Relations Secretary Jorge Castaneda to the foreign ministers participating in the preparatory meeting for the North-South dialogue of chiefs of state scheduled for next October.

When the working meetings began, all of which are private, the Mexican foreign secretary stated that peace and world stability will depend on development and this, in turn, on a sincere international cooperation. He asserted that the time has come for a great crusade to defeat fear and death, hunger and injustice and to establish the reign of equality and hope. He said this initiative is aimed at finding a common language, reducing differences between the different positions and seeking formulas which will make it possible for widening the scope of freedom of justice and human well-being.

Castaneda Gutierrez expressed confidence that this meeting of foreign ministers will assure the greatest success possible of the next meeting of chiefs of state and government. He added that this meeting is the result of a great collective effort and will take place after overcoming various obstacles, not of a circumstantial nature but which are minor reflections of greater contradictions existing in the world.

Castaneda stated that the problems of our time have a dimension which makes them different and, because of this, the topics of peace, disarmament, collective security, social justice, independent development and so forth are of concern to all peoples on earth.

Havana on Preparatory Meet

PA030529 Havana International Service in Spanish 0000 GMT 2 Aug 81

[Text] The meeting of the heads of state of the developed capitalist countries and other developing countries that will be held in October at the Mexican sea resort city of Cancun will be of a political nature, and will not lead to negotiations. This was said in the final document approved by the foreign ministers who prepared the agenda of the so-called North-South dialogue.

During that preparatory meeting the recent happenings in the international cooperation field were evaluated. The principal topics to be considered at that meeting were defined and the preparations for the meeting were completed.

The foreign ministers agreed that at that meeting the heads of state will discuss subjects relating to international cooperation for development and reactivation of the world economy, including such topics as the secure supply of food, agricultural development, staple goods, trade, industrialization, energy and monetary and financial matters.

It was also agreed that the discussions should reflect the complexity of the current problems of the world economy and include an exchange of ideas on North-South relations, and other additional matters.

At this meeting to be held in Cancun in October, the heads of state of 8 developed capitalist countries and 14 developing countries will be present. Also present will be UN secretary General Kurt Waldheim.

CSO: 3010/1619

SOCIALIST LEADER ASKS FOR RETURN TO CALM

PA191525 Managua LA PRENSA in Spanish 12 Jul 81 pp 1B, 12B

[Text] The Nicaraguan Socialist Party [PSN] is greatly concerned over the political pressure that has built up in Nicaragua in the past few weeks in connection with different causes, said PSN leader Domingo Sanchez Salgado ("Chaguitillo") upon being queried by newsmen.

Speaking with a very serious expression and emphasizing his words in connection with this very interesting issue, the PSN leader on Thursday night broadened his idea about seeking calm formulas for positive solution of national situations.

This is the first time that a leader of the extreme left has indicated the grave danger threatening Nicaragua's social peace unless formulas such as Sanchez Salgado pointed out are found. He added: "If they are not sought, incidents that may be painful for the Nicaraguan people may occur."

"The PSN loves peace and national harmony and we are seriously concerned over the situation that is arising little by little due to different causes," said the socialist leader. He did not elaborate on the type of situations, but he did show interest in a solution to the obstacles that have been arising in the past few weeks as well as a positive frame of mind regarding Nicaraguan problems.

Going into further detail for Radio Corporacion's "10 on the Dot" newscast, Domingo Sanchez Salgado stated in general terms that a series of issues has been poisoning the political climate and provoking dangerous confrontations.

Everything seems to indicate that the PSN will implement a specific plan, outline definite positions regarding national problems and announce several proposals--to the parties of the revolution and the democratic sectors, as well as to the Sandinist National Liberation Front [FSLN] national directorate--for initiating a dialogue that will begin a return to political normalcy in this country.

He said that the Nicaraguan people are greatly motivated by fraternity and solidarity with noble causes and that it would be a great shame to have to return to violence. This same idea has been expressed by other political, labor and

business leaders who believe that from day to day this ideological confrontation reduces the possibility of a positive and workable short-range social program for Nicaragua with the full participation of all national sectors.

The initiative has been launched by a leftist leader who has seen these perils and, without hiding his preoccupation over the high pressure of the confrontations, says it is necessary to return to the course of national harmony.

CSO: 3010/1607

SWISS PAPER VIEWS POLITICAL SITUATION IN SURINAME

Geneva JOURNAL DE GENEVE in French 6 Jul 81 p 1

[Article by Richard Beer, special correspondent in Paramaribo: "Socialism in a Handkerchief"]

[Text] "The New Suriname," "People's Revolution," official slogans are numerous in the Republic of Suriname, the former Netherlands Guyana. The sergeants who took power on 25 February 1980 speak of socialism. Speeches, publications, but also shadow play, self-criticism and a population which does not commit itself. What does the "revolutionary process" in Suriname mean?

Paramaribo is steeped in its usual torpor. The capital constitutes half of the country in terms of inhabitants, but it is calm, well kept, with Dutch security guaranteed. The former colonial city is far from being prosperous, but the poverty is not shocking, even the outlying suburbs seem */acceptable/* [in italics]. Nowhere does a visitor see any sign of the revolutionary process either. Here, there are no graffiti on the walls, no pubs where theoretical discussions are held, and no ~~halls~~ for debates between the militants and the people.

In the absence of a revolutionary climate, it is always possible to start a conversation with the numerous strollers hanging around the river port. Lifting their bottle of local beer, they laugh but say nothing about the regime, the process, the */new freedom/* [in italics]. The Chinese dominate among the small businessmen and the restaurants. Certainly not happy, they make no effort to laugh and they want to know nothing. Finally, the reporters of local newspapers take a certain distance with regard to political events. Spontaneous sympathy, indifference, primarily suspicion. But of what?

The current use of the adjective "new" is revealing. Without structure, program or responsible "faces," it is very difficult to know what is happening in the bauxite republic. Six years after independence, this small country with its 350,000 inhabitants finds itself in the middle of a turbulent political situation. There are numerous speculations, in spite of some settling down during the last few months. The curfew is still in effect at night.

On 25 February of last year, the international news agencies transmitted short dispatches announcing a successful coup in Suriname. It was what was referred to as "the revolution of the sergeants," with African inspiration. Even though it is located in South America, the former colony's population is primarily of African, Indonesian and Indian (Hindu) origin.

Prime Minister Henck Arron was immediately dismissed and his government accused of corruption. A National Military Council [NMR] took charge of the destiny of the country. Henck Chin-A-Sen, a "non-compromised" nationalist politician, became head of the interim government.

People Perplexed

The following period would prove to be rather confused. In the month of August 1980 parliament was closed. President Johan Ferrier, last governor under the Dutch administration, was replaced by Chin-A-Sen, thus uniting both the functions of head of government and head of state. Was this a radicalization or a normalization? Observers could no longer keep track of events when, a short while later, three sergeants of the NMR were imprisoned, accused by their colleagues of having stirred up "a leftist coup with the support of Cuba."

If the outside world was having trouble following the subtleties of politics in Suriname, the population was even more perplexed when it was made aware of what followed: on 6 March of this year, Commander in Chief Major Daisi Bouterse (previously a sergeant major) gave an unexpected press conference. In the presence of the "leftist" sergeants he announced that henceforth they would be reinstated in the Military Council as "valorous allies of the first hour."

The circus was not over yet; another coup, this time from the right, was attempted by two sergeants, also from the "first hour" of the February revolution.

"Here we are, faced with problems which are typical of countries which acquire independence," noted Roy Medina, leader of the C47, the most important of the four union groups.

Medina explained that the February revolution was a "total surprise":

"As a matter of fact, as a revolution it was rather bizarre. The non-commissioned officers were dissatisfied. Among other things, they did not have the right to form a professional union. So, they simply seized power without any previous experience in politics."

But the militants are no longer alone. Bouterse, "the strong man" of the Military Council, listens more to the civilians. President Chin-A-Sen is not a puppet. It is generally believed that he is the source of compromises between civilians and the military, a skilled politician who knows how to maneuver with moderation.

Not Pro-Cuban

On his left, the new Minister of Foreign Affairs Naarendorp (a civilian) continues to strengthen his position. As a matter of fact, Naarendorp had expressed himself in favor of a rapprochement with Cuba long before the spectacular return of the "leftist" sergeants.

The supreme executive body is no longer the NMR. Now there is a Political Council [PR], composed of three military men and three civilians, and presided over by Chin-A-Sen.

"We are neither pro-USSR, nor pro-Cuba," emphasized Dick de Bie, spokesman for the PR. "And on the economic level, we are not headed for nationalization; we don't have the means for it. First, we want to secure a larger part of the profits in the bauxite and timber sectors, dominated by the Americans and the Dutch, for ourselves."

If one wants to define the regime in Suriname today, one might refer to it as a national socialism tinted with Chinese idealism. The priorities of the "model" are agriculture and education. "A small format nationalism," as a Dutch reporter put it.

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CSO: 3100/834

POLITICAL SCIENTIST VIEWS FUTURE CONSTITUTIONAL DEVELOPMENT

Paramaribo DE WARE TIJD in Dutch 20 Jun 81 pp 1,15

[Report on speech by political scientist Jules Wijdenbosch, organized by the National Military Academy and presented at the Independence Hotel on 18 June 1981:
"Wijdenbosch Does Not Want To Hurry With Constitution -- People Must Get Used to New Situation"]

[Text] "It is absolutely impossible to bring about a new constitution in the short term. The people must be given the opportunity to get used to the new situation. The people must themselves determine what the administrative organization should look like, but the leaders must give the people of Suriname the opportunity to assimilate the new situation and give them a sense of values before expressing themselves on the constitution and the new form of government."

This was said Thursday evening by political scientist Jules Wijdenbosch, during a speech organized by the National Military Academy [NMA] at the Independence Hotel.

Truth From Discussion

The speech, entitled "Political Order and Legitimacy," was very well attended, and a large number of military personnel and policemen were among the audience. Minister of Army and Police Laurens Neede thought that it was a good initiative to discuss the basics of the new society. "The youth, workers, farmers, cultural organizations, religious organizations, the business world cannot escape the duty to come up with ideas for the new society." This according to the minister, who gave the assurance that the government does consider positive suggestions. "There are different kinds of truth," continued Neede, adding that only those things are true which are the result of varied discussions among large segments of the population, with the sole aim being what is best for the country and the people. He called on the National Military Academy (the official name for this new institute is still being discussed) to provide follow-ups to this lecture and also to visit the various regions with educational and training meetings, in order to involve the people in the formation of the new society.

NMA President H. Berggraaf (MA Pediatric Sciences, MA Education) gave assurances that this institute would fight to its last breath to lead the country to where we want to go. According to Berggraaf, the lecture by Wijdenbosch, who is a political science teacher at the NMA and who has already published several books (among others: "Outline of the Republic of Suriname -- Its Own Style 1974"), should be seen within the framework of the transition phase which Suriname is currently experiencing. "The people of Suriname are getting ready to take their fate into their own hands,

via such bodies as the Planning Council and the Assembly. We should not isolate ourselves from the rest of the world, but we should start by organizing ourselves within our borders," he said.

Binding Decisions

The political scientist defined a political order as "any organization in which decisions are made which are binding for the members." This means that a society is composed of various political orders. A union, a functional group, an organization, people's committees, a nation state, yes even a gang of thieves is a political order. However, Wijdenbosch focussed on the nation state as a very special political order in terms of what happens in society. Indeed, the nation state makes the most important and far-reaching decisions for its members, while it is also an organization which the great majority of the people (except for foreigners who voluntarily accept this nationality) did not join voluntarily. He referred to political reality, which involves who makes the decisions and what decisions are made, as an important element of the political order.

"It is well known from past parliamentary practice who was supposed to make the decisions, who made the decisions and what decisions came out of it." As second element, the speaker referred to the political division of labor, which is formed by the foundations of the political organization. Elements of the organization perform various tasks and have a certain relationship with the government, for example the position of the business world relative to the government or the relationship between the three social partners, government, unions and business world.

According to Wijdenbosch, by checking on how the distribution of labor is achieved it might be possible to normalize (relatively speaking) an excess of power by one of the partners.

Revolutionary Energy

As third, and for his purpose the most important element, the speaker referred to the political regime. This then concerns values (goals or principles), standards and power structures according to which activities take place within a political system, in short the form of government. In his lecture, the political scientist wanted to check on the rightness of the regime, so that the aspect of legitimacy can be brought into play when a decision is made on a new regime. He defined legitimacy as the degree to which the distribution of power in a country is viewed by the citizens as being right. To introduce the aspect of legitimacy in the situation of Suriname today means that all existing and yet to be formed organizations such as unions, enterprises, people's committees, functional groups, etcetera, will have to function as canals, carrying the ideas of the citizens concerning the distribution of the spaces within which they have to live to the competent authorities.

Wijdenbosch further pointed out that a political order is not a static phenomenon, but rather a very mobile one. He could not at all support the idea that the organization of the nation state is not a dynamic process and that radical revolutions are not among the possibilities. "Political order and political changes are an extension of each other. Political order could hide a potential for revolutionary energy. In many cases, blind belief in the status quo, especially by the elite who protect the status quo, has been repudiated.

Pattern of Expectation

The political scientist indicated that in many parliamentary democracies, mobility expresses itself in self-organization, the phenomenon whereby spontaneous extra-parliamentary actions occur as a result of the powerlessness of the established political system to respond adequately to the needs of the citizens. In their struggle for freedom, young countries are faced with the problem of having to solve all problems at once, such as nation building, political and mental adjustment, reorientation toward the political system, awareness of standards and values and the legitimation of the power structures during the transition, he said.

In his opinion, another aspect is the meaning of disorderly events in the political order. "It cannot be said precisely beforehand that a phenomenon will be disturbing to the order, if no attention has been paid to the political expectations or the pattern of political expectations."

To illustrate this, he noted the situation in Ghana under Nkrumah. There, the constitutional values and standards were not integrated in the pattern of political expectations. The citizens expected all politicians to be corrupt and thus politicians who appealed to the constitution actually deviated from the pattern of expectations.

Wijdenbosch believes that the Surinamese variation on the Ghanaian pattern of expectations lies in the fact that the citizens expected politicians to work primarily for their own interest, and that this situation was tolerated through inertia and the fear of violence.

Inertia, Fear and Advantage

Political science assumes that there are four reasons why citizens accept requirements, specifically:

1. Acceptance out of inertia: people are tired of being in the opposition.
2. Acceptance out of fear of violence: actions which are dangerous to the administration are countered with violence.
3. Acceptance for expected advantages: groups of people who expect a direct advantage from the new regime.
4. Acceptance out of a belief in the justness of the rules of behavior: one proceeds from the assumption that the leaders are capable of implementing the rules.

The speaker indicated that the first three possibilities refer to a situation where the political organization is not considered to be legitimate.

"A system is legitimate when the system is a product born of public opinion concerning the organization of the space within which the people want to live," he emphasized. In his opinion, this means nothing other than that the people must express their opinion about the system which is applicable during a certain period, and in the case of Suriname it means that the basis for a new constitution must be the result of the Surinamese people's thinking about the administrative organization of the country. In his opinion, the people must be given enough time to complete the process of thinking about the division of space. During the current transition phase, the results of this process could be transmitted to the rulers via functional groups. Wijdenbosch saw a place for intellectuals only in terms of testing the people's conceptions and producing the most viable reflection of these popular

conceptions. "What may not happen is for four people to sit around a table discussing what the people want and then offer this to the people as a constitution, because then we would not have a legitimate system." Hence, Wijdenbosch stated that before and after 1975 Suriname did not have a legitimate system, because there had never been a popular verdict on the form of government and there was only talk of the election system derived from the form of government.

Continued Testing

The speaker said that large scale social discussions, organized by functional groups, will have to be set in motion in order to determine public opinion. The people have never done any of this, and, in his opinion, they should be given the time to learn this. "We are talking about years here, but we must dare to say: let it take years, as long as something good comes out of it." Finally, Wijdenbosch suggested the development of an institute to test continually the legitimacy of the yet to be formed new system, because it could well be that things may conform to public opinion in 1980, but no longer do so in 1995.

During the discussion which followed, Wijdenbosch was immediately asked how much time he thought would be necessary to get to know public opinion. He felt that this was a difficult question, involving matters such as nation building, mentality and education. Considering the parliamentary period we just left behind, during which it became clear that after 4 years the citizens were not yet able to judge an administration (shifts were constantly taking place and small parties could hold the balance of power), he was thinking in terms of checking after 4 years to see how far the citizens had gotten in their thinking about these elements. According to him, the institute would have to be composed of functional organizations, and their representatives in the institute must always consult with their organizations.

Mr Wijdenbosch also said that a new economic order cannot be developed without first organizing the political order, which a great many people in the audience did not appreciate. These people thought that economic interests should be the starting point for action toward a political front, and in this context they referred to the front formation surrounding the SURALCO [Suriname Aluminum Company] and the OGEM [Overseas Electric and Gas Company] conflict. Discussion leader Berggraaf quickly brought the discussion to an end, pleading "lack of time."

3463

CSO: 3105/1-8

FLIGHT OF CAPITAL BLAMED ON LACK OF CONFIDENCE

Caracas EL UNIVERSAL in Spanish 5 Jul 81 p 2-1

[Article by Jorge Villalba]

[Excerpts] According to the former minister of finance, Hector Hurtado, the flight of capital that is now affecting our economy is not a problem caused by interest rates, but is rather due to the lack of a favorable climate for investment in Venezuela.

The former minister of finance, who was asked about the problem now facing the economy due to a loss of currency that has been calculated at approximately \$100 million a day, which has led the economic cabinet to meet with the Central Bank in order to weigh possible solutions, declined to express his judgment of the situation, saying that to do so he would have to make some very detailed analyses that go beyond the scope of a press statement.

Nonetheless, he added that in his opinion, the fundamental problem lies in the fact that the climate is not favorable to investment and therefore the people are unwilling to invest their money in Venezuela, and prefer to invest abroad.

"For that reason, the fact that interest rates are a few percentage points lower here is only a secondary problem. The true problem is that this government has managed to do what no one had ever done before. That is, that with a superabundance of income, with an extraordinary exchange situation, and with a very high level of reserves, the government has managed to discourage everyone from investing in Venezuela, because of its contradictory, vacillating, and undirected economic policy."

Hector Hurtado added that the true solution will have to begin with a change in this climate of lack of confidence, and he stated that until this is done, anything else will only be a superficial remedy.

A Revaluation is Inappropriate

In addition, the Social Christian deputy and president of the Federation of Associations of Economists, Jose Miguel Uzcategui, to some extent deemphasized the importance of this issue.

In his opinion, the growing movement of currency in recent months is not yet of an alarming nature, since these operations are apparently influenced by a number of factors, including the use of currency for vacations, and on the part of businessmen, merchants, and industrialists for end of the year sales.

Nonetheless, he agreed that the difference between Venezuelan interest rates and rates in the international market may have some influence in creating a speculative attitude and an inducement to make use of higher interest rates abroad.

Furthermore, when asked about the differences of opinion between the economic cabinet and the Central Bank about the measures to be adopted to slow down this flight of currency, Uzcategui warned that any decision made by the Central Bank can not be absolutely monetary: it must not fail to take into account the economic and social effects of more expensive money on national activities and investments in the nation.

In conclusion, returning to the initial point of the flight of capital, the economist and Social Christian parliamentarian said that one factor that will influence the solution of this problem will be stability in the economy, as a result of an effective recovery in a climate of confidence and optimism.

7679

CSO: 3010/1544

CASTRO HURTADO HEADS 'NEW GENERATION MOVEMENT'

Caracas EL NACIONAL in Spanish 8 Jul 81 p D-9

[Article by Mario Villegas]

[Text] Maj Gen (R) Arnaldo Castro Hurtado today became president of the New Generation Movement; he had previously supported some of its positions.

The announcement of this decision made by the national board of this organization was made yesterday morning at a press conference. The secretary general of the New Generation Movement is the psychologist Vladimir Gessen Rodriguez.

Castro Hurtado is replacing Jose Marsicobetre as president of the New Generation Movement. Marsicobetre introduced the new president and former military commandant to the journalists and guests present. Castro Hurtado is visibly enthusiastic about his entry into political life.

In officially turning over the presidency of the movement to General Castro Hurtado, Marsicobetre said of him that he is an honest, fair, and courageous man, "the sort of man the country needs." He said that from now on the New Generation Movement has assumed adult status and will work to begin the conquest of the future.

Also present at this ceremony, along with Castro Hurtado, Marsicobetre, and Gessen Rodriguez, were: Brig Gen (R) Francisco Leon D'Alessandro, Egildo Lujan Nava, Arnaldo Molina Canino, and Col (R) Juan Tineo Arismendi, who are also leaders of the New Generation Movement.

Remarks by Castro Hurtado

In response to a question by the representative of EL NACIONAL about whether his membership in this party will not take away some of the possibilities for strong support for him in an independent position, General Castro Hurtado said that the sole condition he imposed on

the New Generation leaders for his support was that the organization should become a broad national movement in which all Venezuelans over the age of 18 can take part without restrictions of any sort.

He stated that he is not the party's presidential candidate, and he said that the movement's standard-bearer will be the person who supports its positions and is able to win greatest acceptance from the nation. He said that the party candidate could be someone of the stature of Arturo Uslar Pietri or Humberto Fernandez Moran, or even a retired military officer like himself, also a potential candidate.

A reporter asked if it could be inferred from his previous statement that talks have been held on this issue with Uslar Pietri and with Fernandez Moran. Castro Hurtado replied that he had mentioned them as meritorious national figures who have recently spoken of their concerns about the present situation of Venezuela. He also mentioned Mayz Vallenilla, Jovito Villalba, and Rafael Pizani.

Another reporter asked what real strength the movement can bring to bear against the political machines of the AD [Democratic Action] and COPEI [Social Christian Party]. He answered honestly, saying that his movement had started at zero, but he said he was certain that it will surprise the political machines.

He commented that at this time the New Generation Movement is being organized and reorganized, and he said it is going to be joined by a number of minority groups which have promised to support the New Generation Movement. According to the retired military officer, the New Generation Movement is going to present itself as a national movement which will express itself on all federal levels.

"We are going to show the parties of failure that we are capable of uniting the people of Venezuela, and of giving those parties the lesson they deserve."

"To Fight But Not Cry"

In a written statement which he gave to the press, Gen Arnaldo Castro Hurtado said that the nation is now going through a time of anguish and uncertainty.

"The president of the republic," he said, "has called all the representative sectors of the nation 'crybabies,' 'pessimists,' and 'prophets of doom,' whenever they point out to the national government the series of errors or omissions that have worsened the precarious situation of Venezuela. I say to the president that we are not 'crybabies' or 'pessimists.' Still less are we 'prophets of doom.'" As a child I learned that the Venezuelan 'fights but doesn't

cry.' Now, along with all my compatriots, I am saying this. This sort of blackmail, this applying of labels whenever we call for our rights as citizens, must end. We are not pessimists. What is happening is that we can not continue to be accomplices in this social devastation caused by the 'parties of failure.'"

Castro Hurtado, who described himself as a "soldier of the republic," said that in the past he had served while wearing the uniform of the armed forces.

"Today I wear civilian clothes, but this is still combat dress. The struggle continues, now without arms, but with ideas and with reason, in support of our national constitution, which I used to defend when I was in the army."

The lengthy statement which Castro Hurtado gave the press contains a series of proposals for the program that will guide the objectives of his movement. These guidelines are designed for state reform and contain other important measures which will support the interests of the large national majorities.

In the end, Castro Hurtado, now a political leader, repeated his presidential aspirations in the following terms:

"I am not a presidential candidate. I would like to be, in order to carry forward the banners which have so often been trampled underfoot by the AD and COPEI leaders. It would have been easier for me to have accepted a position and its corresponding benefits, which they offered me, and to earn a salary that I didn't deserve. I know very well the step I am taking, and I thought a great deal before taking it. I know that I am risking everything, but I am prepared, along with all my fellow citizens, to conquer the future. I prefer this to wearing the 'muzzle' that has debased so many people."

7679

CSO: 3010/1544

HERRERA'S VAGUE FOREIGN POLICY GOALS CRITICIZED

Caracas EL DIARIO DE CARACAS in Spanish 14 Jul 81 p 6

[Article by Demetrio Boersner: "A Foreign Policy Without Definite Goals"]

[Text] Of the various policies of the present government of Venezuela, the foreign policy is the one most criticized, rightly, because it is inconsistent and has tended to lessen the country's prestige in the international community. The unsatisfactory nature of that policy is owing to the fact that it observes no kind of clearly defined goals or priorities. Foreign policy guidelines have changed several times abruptly and inexplicably.

The present government should have retained the following from the previous foreign policies of President Caldera and President Andres Perez, which really were consistent:

The basic goal that sums up the nation's interest most completely should be the goal of complete autonomous or independent development. Progress toward that great objective of complete, autonomous development requires policies of subregional and regional integration, solidarity with the Third World, strengthening of OPEC, Latin American coexistence with ideological pluralism and sound geopolitical balance, constant insistence on the north-south dialogue and international promotion of principles like self-determination, nonintervention, anticolonialism, antiracism, promotion of democratic values in the broadest and least dogmatic sense.

It actually seemed, in the first period of the present government--from 1979 to 1980--that this point of view, inherited from previous democratic governments, would be maintained. In particular enormous importance was given to the Andean Pact and that is positive. But a great mistake was made when politization of the subregional agreement was encouraged, not positively to create common political bodies and to try to coordinate a common foreign stand with regard to great international problems, respecting domestic sociopolitical difference, but rather in the negative sense of advocating promotion of the social Christian movement and its ideas. In acting in this way, the Andean Pact was divided and weakened.

Nevertheless, no sooner had the Andean Pact been weakened, when, instead of trying to save and revitalize it--something that is still possible and also very desirable, because what is involved is the only Latin American subregional instrument that has "nationalist" norms, directed against dependency on foreign capital--the Venezuelan

Government forgot it and took an abrupt leap toward an inexplicable "global strategy" (sic), consisting in quick trips to various regions of the world, mostly for the purpose of hurling accusations of cold war that have very little to do with our national interest (the USSR may be extremely disagreeable in Afghanistan and within its own bloc, but it has behaved in a friendly way toward Venezuela and is the only great power that always defends OPEC).

The "global strategy" has given rise to the impression that Venezuela is an unconditional follower of the United States in the new cold war (something that is not true, because we know that this is not the personal intention of the president), and, in addition, a vacuum has been left in our subregional and regional foreign policy, with the result that a disoriented, concerned national public opinion is letting itself be fascinated and obsessed by border and territorial problems that should be only one aspect of an overall foreign action based on Latin American and Caribbean solidarity.

But it is never too late to rectify.

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